# The China Weekly REVIEW

密勒氏評論報

*A Weekly Newspaper Established in 1917*


## Return of the British Boxer Fund

## Elements Involved in the Chang Hsueh-Liang's Intervention

*By Edward Hunter*

## Reported Resignation of Feng Yu-hsiang

## Why America Doesn't Recognize Russia

*By John Spargo*

## Chinese Reader at Large in Yankeeland

*By Art Yun*

**The Inside Story of an Intervention Story; "Mr. R.T. Jones" and a Certain Golf Game; Roosevelt, Victim of His Own Propaganda; How Yen Hsi-shan Governed North China; Chinese in Australia Demand Better Treatment; Chinese Officers Released by Soviet, by E. U. Barung; China's Civil War and British Trade, by Dr. C. Kuangson Young;**


SATURDAY, OCTOBER 4, 1930 VOLUME 54, NUMBER 5

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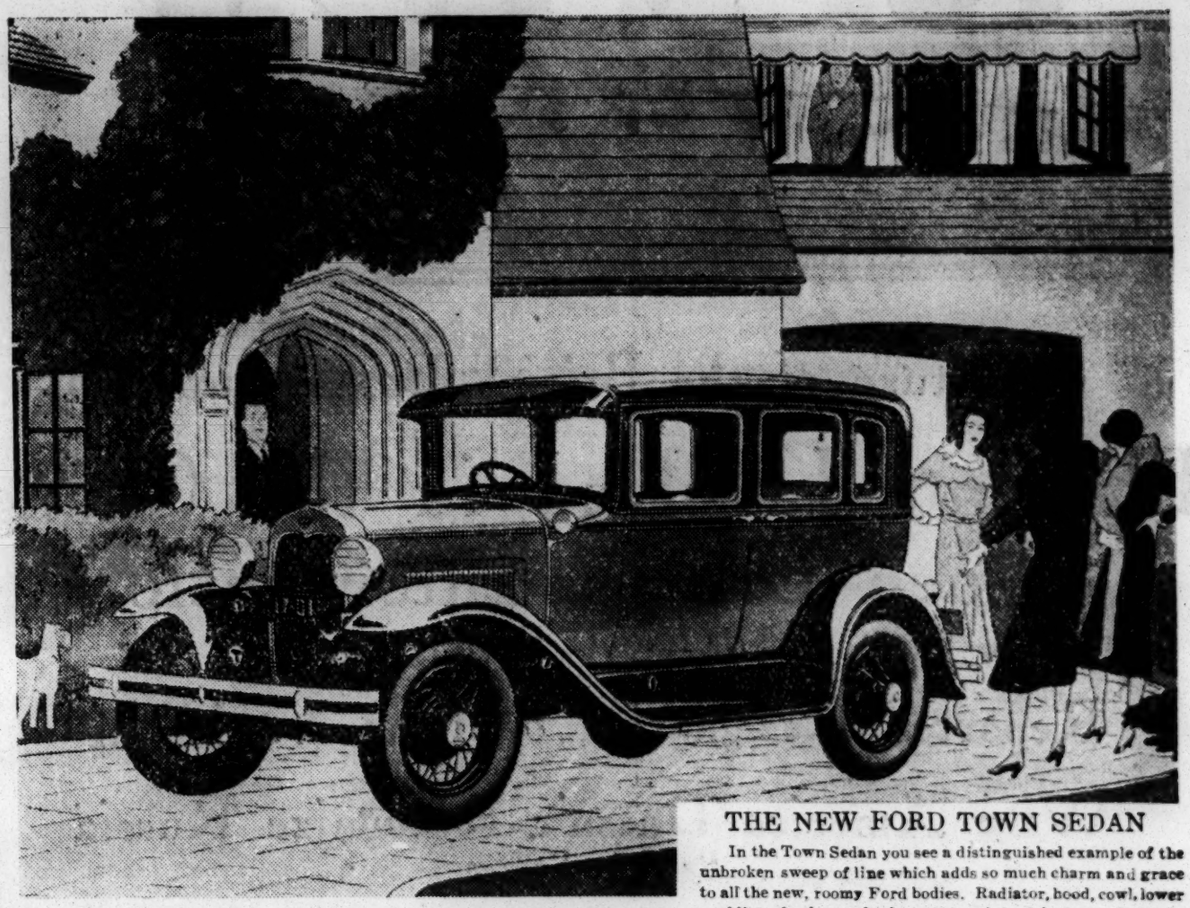

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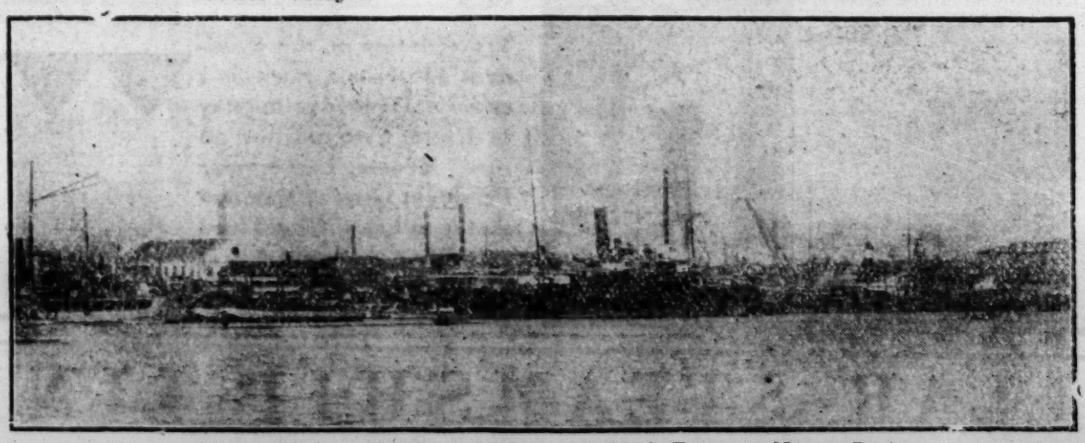

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# The China Weekly REVIEW

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WASHINGTON BUREAU

J. J. Underwood—Correspondent

Colorado Building, Washington, D. C.

## ROOSEVELT, VICTIM OF HIS OWN PROPAGANDA!

PERSONS who write books or magazine articles or deliver speeches attacking Oriental peoples should possess foresight as well as hind-sight, which thought is inspired by the rumpus which was kicked up over President Hoover's recent appointment of Nicholas Roosevelt as vice-governor of the Philippines. Roosevelt visited the Far East in 1926, since which time he has turned out at least three books and numerous magazine articles dealing with various phases of the international political situation in the Pacific region. Also, he has delivered many speeches and once appeared before a congressional committee where he testified in opposition to Philippine independence. As foreign editor of the *New York Times*, he was in a peculiarly strategic position to give circulation to his views on Far Eastern subjects. Whether Mr. Roosevelt's views did, or did not, accord with the sentiments of Far Eastern peoples, made little difference to the publishers of the *Times* who consider themselves omnipotent, from the standpoint of adverse criticism regarding their policy in respect to this part of the world. But when Roosevelt sought and received the appointment as vice-governer of the Philippines, he placed himself in a position where he *was* vulnerable and also in a position where he could not depend upon the support of the powerful *Times*.

Roosevelt received his appointment on July 19 and immediately it was a matter of common gossip in the Far East that the real intention was to make him governor *in fact*, as the present incumbent, Governor Davis was expected to return to America shortly. But while Roosevelt's appointment met with the whole-hearted approval of certain Americans and other foreigners in the Far East who receive their inspiration from the past rather than the future, otherwise the "die-hards," the appointment did not receive the approval of the Filipinos and in this instance they were able to give their views practical political effective. There are several stories in circulation regarding what actually happened, but the generally accepted version is that Secretary Stimson of the Department of State did not approve of Roosevelt's appointment. As the administration of the Philippines is under the Department of War, Secretary Stimson naturally was not consulted regarding Roosevelt's appointment, but after the appointment had been made, and the Filipinos had kicked up a row, it became necessary to consult the Department of State,

where it was learned that the Roosevelt appointment was likely to have serious consequences not only in the Philippines but throughout the Orient. It is reported upon quite good authority that Secretary Stimson had strongly disapproved of the views which Roosevelt had expressed in his book. This may have been true as Roosevelt's views were diametrically opposed to the ideas which Mr. Stimson had attempted to put in practice as governor-general of the Philippines a few years previously. To put it another way, Roosevelt favored the "strong" policy of the late General Wood, while Stimson favored a cooperative policy of friendship which would hasten the day when the Filipinos would be sufficiently strong, financially and economically, for an independent status.

In one of Roosevelt's books, "The Philippines, a Treasure and a Problem," the following paragraph appeared,

> "It is no easy task, this which we have so long hoped to evade. We have trifled with the white man's burden during the last 25 years half believing that by closing our eyes and loudly insisting that no such burden existed, we could dodge our responsibilities. Our ignorance has been used to bolster theories, and we have applied panaceas without diagnosing conditions. We have taken full credit for achievements that are still only half completed and have even tried it ourselves in one of the most fatuous and naive political blunders of modern history:—the assumption that in 17 years a conglomeration of 12,000,000 illiterate people, but little advanced from their primitive barbarism, speaking many different dialects, and living on hundreds of remote islands could be prepared for a modern democratic form of government."

It was this paragraph in Roosevelt's book, plus his testimony before a congressional committee in opposition to independence, that aroused such a storm of opposition among the Filipinos, which in turn had a reaction in influential quarters in Congress. This doubtless was responsible for Roosevelt's decision last week to resign from his Manila job and accept the appointment as Minister to Hungary. According to a prominent official of the Philippine Government, recently in Shanghai, the rumpus stirred up in Manila over Roosevelt's appointment had an interesting reaction in Washington due to the fact that the Administration recently had reached a decision not to send out in future any official who had evinced strong views on racial questions. An element in the Roosevelt incident which is of general interest throughout the Orient, has to do with Roosevelt's well known views on the relations of western nations toward Far Eastern dependencies. Roosevelt was, and is, a great admirer of the old European, or rather British, attitude toward colonial dependencies. This was evidenced in practically all of his writings and declarations, his most recent book dealing with Anglo-American relations in the Pacific being a plea for an Anglo-American alliance or at least naval understanding in the Pacific. Roosevelt was honestly and frankly conservative in his views regarding the necessity for Western resistance to the independence demands of Oriental peoples, hence his advocacy of Anglo-American cooperation on this point. He thus became the victim of his own views on these matters when he permitted his name to be considered as a candidate for governor of the Philippines. The withdrawal of his name will naturally have the effect of stimulating the Filipinos to even greater exertion on the independence question.

## THE INSIDE STORY OF AN INTERVENTION STORY!

SEVERAL months ago one of the local foreign newspaper correspondents returned to China from a trip to the United States. Upon his arrival in Shanghai he was interviewed by one of the local English-language newspapers and in the course of the interview expressed the opinion that Wall Street bankers, worried about the world economic depression, were again considering the matter of military intervention in China as a means of stabilizing political conditions and reviving trade. Other newspapers and propaganda organs favorable to a so-called "intervention program" gleefully picked up this interview with the Shanghai correspondent and exploited it, with the result that the story has traveled around the world and doubtless has been read by thousands of people. Now the interesting thing about this story is that the correspondent who was credited with the original interview about the Wall Street bankers favoring intervention, later claimed that he had been misquoted and that the whole report was incorrect. But this apparently has not prevented a number of supposedly intelligent persons from taking it seriously, one widely circulated American magazine devoting considerable space to the subject in a recent issue. Other editors debated the question pro and con, all seemingly convinced that Wall Street bankers were actually interested in promoting intervention.

However, there was one newspaperman in America who saw the original story and decided to make a little investigation on his own. The results were expressed in the following paragraph which appeared in a recent letter, "Looking through the————paper the other day, I noticed a statement that Wall Street is getting a little bit tired of the Chinese chaos and would not be loath to insist upon international intervention. I have not much idea where he gets his information and my own contacts with Wall Street are, I am afraid, far too limited, but the idea is about as fantastic as anything could be. There is not the slightest possibility that our Government will change its very definite attitude on the subject at anybodys' behest. It is likely to continue to maintain a policy of 'hands off' except where individual Americans can be helped to safety in times of trouble. That certain 'Wall Street interests' are as interested as the writer made out, I very much doubt. There are far more important things worrying Wall Street right now."

The man who made this statement about the possibilities of intervention in China is connected with one of the large newspapers published in the eastern part of the United States and last year achieved national prominence by being mentioned in the Pulitzer awards for distinctive journalistic achievement. He ought to know what he is talking about, or at least ought to be in a position to know more about the real situation than some Shanghai correspondent located on the opposite side of the world from the un-named "Wall Street" bankers" who are allegedly in favor of intervention.

And while on the subject of military intervention, we can't refrain from calling attention

to an interesting statement by George E. Sokolsky, at the Williamstown Institute of Politics, on this subject. Mr. Sokolsky was quoted by the *Associated Press* on August 26 as declaring that "Japan would *protect* China against any armed intervention by the United States or European power." Mr. Sokolsky stated that while on his way to America last summer that he had stopped off in Japan and had talked with Baron Shidehara and others prominent in Japanese public and industrial life, and their general attitude was that of opposition to any foreign armed intervention in China. As Mr. Sokolsky's position on the editorial staff of the *Far Eastern Review* (Shanghai) brings him into intimate contact with Japanese political and economic leaders, we will have to grant that Mr. Sokolsky also ought to know what he is talking about.

Hence, we will have to dismiss this question of armed intervention in China as a lot of nonsense. We do not wish to infer that there are not persons in the foreign communities in China or in Wall Street, who would not like to see an intervention program put into effect. About every banker or merchant who holds a defaulted obligation against the Chinese Government probably would like to see intervention at least sufficient intervention to enable him to collect his overdue accounts. But that the intervention desires of a few bankers or merchants are likely to be translated into governmental intervention policies is extremely unlikely. The reasons for this are too numerous to mention in the limited space available in this column, but one outstanding reason will suffice: military intervention in China would stir up such a hornet's nest of jealousies among the Powers themselves, that the whole adventure would end in another world war! A few weeks ago a well known American journalist familiar with conditions in the Far East, visited the State Department and asked every official he came in contact with, just what the American Government would do in the event China should suddenly become sufficiently powerful to take unilateral action on the exterritorial question. The universal reply was that the American Government "would do absolutely nothing, because the losses possibly resulting from an abolition of exterritoriality would not be sufficient to justify any special action on the part of the United States Government."

## "MR. R. T. JONES" AND A CERTAIN GOLF GAME!

IN many ways it is unfortunate that Britons and Americans speak the same language because this so often leads to misunderstanding. Surely these two English-speaking national groups in Shanghai could get along much better if the British would revert to their original Anglo-Saxon or Celtic and the Americans would go back to Choctaw. What we have in mind now is an allegedly humorous "leader," (we mean editorial) which the *North-China Daily News* leading British organ of thought, published about our Bobby Jones and his great victory in the recent U. S. Amateur Golf Championship match. Now, in the first place Bobby Jones is Bobby Jones; not "Mr. R. T. Jones" as the *N.C.D.N.* would have it. Both *Reuter* and *United Press* called him "Bobby," and that should have settled it, but in some way the British paper discovered Bobby's initials. However, that wasn't the worst of it: the *N. C. D. N.* insisted that Mr. Homans (Bobby's opponent) didn't do his best; that he laid down on the job purposely in order that Bobby might win the highest known honors in this branch of sport. Local Americans who foregather in their own American Club where they can be comfortably informal and speak their own slanguage, insist that this was a reflection on both Jones and Homans; in other words they insist that Homans being practically unknown must have done his darndest to defeat Bobby for that would have brought him international renown. And as for Bobby, he did a fine job and deserves all the credit which his home town and the whole nation have accorded him—holder of the British and American open, British and American Amateur—and all in a single year. Again, we repeat the first sentence in his discourse: "How unfortunate it is that the British and Americans speak the same language," because every time somebody tries to get funny (evince humor) it always makes the other side sore (angry or indignant).

# Return of British Boxer Fund Expected to Inaugurate New Era in Chinese Railway Construction

THE action of the British Government in agreeing (September 23) to the use of a major portion of the British share of the Boxer Indemnity for railway construction in China is expected to mark the beginning of a new era in the development of China's communications which should equal if not surpass the previous period which brought China's present railways into existence. Although the text of the recent agreement has not yet been made public it is understood that it provides for the use of approximately G. $40,000,000 out of a total fund of G. $55,000,000 for this purpose. This involves the completion of the Canton-Hankow railway, and the purchase of new rolling stock and other equipment needed on other lines. Of the sum of G. $40,000,000 about half, or G. $20,000,000 will be expended for railway materials and rolling-stock through a Sino-British purchasing board to be established in London. The remaining G. $20,000,000 will go toward the payment of labor and purchase of equipment in China. Work is expected to begin as soon as the British Parliament has ratified the agreement which was signed by C. T. Wang, Foreign Minister of the National Government and Sir Miles Lampson, British Minister, in Nanking last week. The construction of the road will be under the supervision of an Anglo-Chinese Board of Directors consisting of three Chinese and two Britons, while the purchasing board to be established in London will consist of three Britons and two Chinese.

The signing of this agreement also marks the conclusion of negotiations between the Chinese and British Governments which had their beginning in December, 1922 when the British Government announced its intention to return the balance of its share of the indemnity to China

"for purposes mutually deneficial to the two countries." In June, 1925 the British Parliament passed an Act authorizing the application of these funds for the general purposes indicated and authorized the appointment of an advisory committee to make an investigation for the purpose of recommending how the money should be expended. As the wording of the original Act provided that the money should be used "for such educational or other purposes which are in the opinion of the Secretary of State for Foreign Affairs beneficial to the mutual interests of Britain and China," it is understood that the Chinese Government has decided to use the resulting revenues of the Canton-Hakow railway, following completion of construction, for educational purposes. The committee of inquiry which the British Government sent to China for the purpose of making an investigation was headed by Viscount Willingdon and included in its personnel several persons prominent in British industrial, educational and official life. Three Chinese also served on the Committee, Dr. Hu Shih, Dr. V. K. Ting and Dr. C. C. Wang.

Approximately four months were devoted to the investigation in China, some fifty-five meetings being held. Chinese and British educationalists, officials and industrialists appeared before the committee and presented their views, some arguing that the money should be used for educational purposes exclusively, while others proposed that the money should be devoted to railway construction or industrial uses. The fact that Great Britain is now passing through a serious industrial depression with widespread unemployment, probably was responsible for the recent decision to use the major portion of the fund for railway construction. This decision apparently has also met with the approval of the Chinese authorities as the expenditure of this fund, or at least a considerable portion of it in China, will be of material assistance to the Chinese Government in relieving unemployment, particularly in Hunan province, the center of Chinese communistic activities. It also has been reported that the remaining portion of the Indemnity, approximately G. $15,000,000 may be devoted to the conservancy of the Hwai river valley in Anhwei province where the annual inundation of some 7,000,000 acres of farming land is considered largely responsible for banditry and unsettled political and economic conditions. Here again it was desided to devote the resulting revenues to educational uses.

There is special interest for Americans in the fact that the British and Chinese authorities have decided to devote the major portion of the British share of the Boxer Indemnity to the completion of the Canton-Hankow railway, due to the fact that this railway was once an American concession. The story of this American railway concession is an interesting one in that it dates back to that period of Sino-foreign history popularly known as the "Battle of Concessions." According to a report which appeared in "Railway Enterprise in China," by a British writer Percy Horace Kent, which was published in 1908 an American financial group first interested itself in the Peking-Hankow railway, but was crowded out by Belgian opposition, the Belgians at that time supposedly having the diplomatic support of the Czarist Russians. The American group was then given the concession to construct the Canton Hankow line, the contract being signed in December, 1897. According to the account the memorial to the Chinese throne contained the following paragraph:

> **"There are grave objections to allowing either England, France, or Germany to undertake the work, and your Memorialists suggest that Wu Ting-fang, the Minister at Washington, should be communicated with. He is a Cantonese, and will not fail to do his best to find a scheme."**

In due course a draft contract was forwarded to Washington for consideration of the American Development Company, which was headed by an engineer named Calvin Brice. This contract was signed on April 18, 1898 by Wu Ting-fang (father of the present Chinese Minister to the United States). Under this contract the American-China Development Company agreed to provide G. $20,000,000, the estimated sum considered necessary for the contruction and equipment of the line. The Chinese Government agreed to secure the loan by the issue of 5 percent Imperial gold bonds, issued at 90, the bonds being a first charge on the railway. The bonds were to run for fifty years with provisions for amortization. The Americans were to have complete charge of the surveying and construction, while the Chinese authorities agreed to make arrangements for the right-of-way and other facilities. Within a few days following the execution of the agreement, the Spanish-American War broke out and work had to be postponed until the following autumn when a survey party headed by Barclay Parsons, chief engineer, and Charles Denby, interpreter, arrived in China. Shortly before the survey party reached China the Empress Dowager, executed a coup d'etat, dethroning the Emperor Kuang Hsu and taking affairs into her own hands. The American surveyors immediately met with obstructions due to the reactionary policy of the Empress Dowager, plus the opposition of the authorities in Hunan province. At first it was thought necessary to transfer the right-of-way to Kiangsi province, but finally the foreign surveyors were permitted to proceed with their work. The actual distance surveyed from Wuchang, on the Yangtsze, to Canton, was 742 miles, including an extension to Samshui. Later it was decided to survey a branch from Chuchow on the Hsiang river in an easterly direction for a distance of sixty miles to the Pinghsiang coal mines. The population of Hunan province at that time was estimated at 22,000,000 and prospects appeared favorable for the completion of the project. However, it shortly was discovered that the original cost estimate was too low, hence further delay was experienced in order to permit revision of the contract to allow for an expenditure of G. $40,000,000, which was double the original figure.

From this point on the story is one of international intrigue familiar to the historians of that period of Chinese history. The Belgian Syndicate, which had forced the American group out of the Peking-Hankow railway concession, now attempted to oust the Americans from the Canton-Hankow line. The American Development Company in New York sent out a lawyer named Carey and when he arrived he found the French and Belgian interests putting up strong opposition and the Chinese officials unwilling to move. However, through support rendered by the American Legation, Mr. Carey was able to overcome this opposition, but the Belgians not to be outdone, transferred their activities to New York where they attempted to

purchase a majority of the shares in the development company. This caused further uneasiness in Peking and necessitated a further revision of the agreement through the insertion of a clause which bound the American company not to sell a controlling interest to any other national interest. The Belgians at one time succeeded in obtaining control of the home company, but this was offset by the Americans taking the British into partnership. Thus proceeded the merry game until the British Government became involved in the South African War and the British bankers were forced to withdraw. Also the British at that time had their hands full in the construction of the Shanghai-Nanking railway and in fighting the Germans for the concession to construct the Tientsin-Pukow line. The president of the American Development Company, Mr. Brice, died and difficulty was experienced in finding capital. Then came the Boxer uprising and further complications in China. However, in the autumn of 1902 the extension from Canton by way of Fatshan to Sanshui was commenced by the American engineers and the work completed by the end of 1903. But the Belgians continued their intrigue and finally succeeded in having the American chief engineer, Barclay Parsons displaced and a man of their own selection, a Gen. Whittier, sent out.

In the spring of 1904 the Chinese learned of the action of the Belgian syndicate in obtaining control and again raised opposition, which necessitated further delay until the American interests could again buy out the Belgians and obtain control of their own concession. The late J. Pierpont Morgan of Morgan and Company, was given credit for this action in buying out the Belgians and re-establishing the American character of the development company. The cause of the Belgian retreat was the Russo-Japanese war, the outcome of which so weakened the Russians that they were forced to withdraw their support of the Belgians. The general effect, however, of this long period of intrigue, was to so dampen the enthusiasm of the Americans that a long period of complete inactivity ensued, resulting in a final decision of the American promoters to sell their concession back to the Chinese Government. According to the report the Chinese Government paid the American Development Company the sum of G. $6,750,000 for the work already completed, which included the Canton end of the line which had been completed, plus compensation for the survey work between Canton and Hankow. The Chinese obtained this money from the British Colony of Hongkong, which had always opposed the American concession. This closed the chapter on American's original attempt to construct a railway in China. In the intervening years the Chinese have from time to time continued construction on the Canton-Hankow line, finally succeeding in extending the Canton end to Shiuchow in northern Kwangtung and the Hankow end, a considerable distance to the south of Changsha, capital of Hunan province.

It is estimated that approximately 270 miles still remain to constructed, practically all of which is in the mountainous sections of Hunan province. It is thought that about G. $25,000,000 will be required for this work. Last summer the Hunan provincial authorities completed the construction of a motor-road connecting the ends of the Canton-Hankow line, thus for the first time making it possible to travel overland from the Central Yangtsze to Canton. There are vital political reasons why the present Chinese National Government should desire an early completion of this trunk-line railway as it would serve to unify this section of the country, making it possible for Canton to extend political and military assistance and influence to the Central Yangtsze district. From an economic standpoint, the completion of the road would serve to open up this section of China, notoriously the most backward in the country. Hunan is popularly supposed to abound in undeveloped mineral resources, the exploitation of which would redound to the prosperity of Canton as well as the British Crown Colony of Hongkong. Aside from these elements of immediate interest to the section traversed by the Canton-Hankow railway, there is a feeling in Chinese political as well as commercial and industrial circles that the actual beginning of construction on this railway will stimulate similar projects in other parts of the country.

# Some Elements Involved in the Chang Hsueh-Liang Intervention in the War

BY EDWARD HUNTER
*(Correspondent, Consolidated Press, Peiping)*

MY first intimation of a proposed intervention by Marshal Chang Hsueh-liang came more than a month before the actual occurrence, when I was visiting Mukden. Then I was told that the "Young Marshal" intended to review his troops in the Peitaiho sector. "Everybody will say that he has decided to take action," my informants said. "But they won't know what they are talking about. He is only going to review his troops." It was the first I had heard about it. They were all so very anxious to explain that he was only going to review his troops that the suspicion was born that there was more to it than that! I finally concluded that while Marshal Chang really was undecided on what definite course to adopt at that time, he wasn't going to take any chances, and he knew realities too well and had had too many experiences in politico-warfare to have any confidence in his ability to keep out. Also, according to popular report he was receiving too many sensational and amazing offers as a price for his material assistance. "He could have anything he wanted,—Tsingtao, Weihaiwei, Shantung, Tientsin, Peiping, Chihli. The complete Peiping Mukden Railway. The Tsinan-Pukow as well. $50,000,000. The Tientsin customs."

In early July while he was participating in the ceremonies at Hulutao for the formal start of construction work on that new harbor, he discovered that he had come to a delightful summer resort without any of the accommodations of home that special emissaries from Shanghai and Taiyuanfu required. Therefore he stayed there as long as he could before going to Peitaiho for his official vacation. He was still undecided when

he reached Peitaiho. A few factors stand out prominently, however, composing a background which was to form the setting for his future action. This background is colored by the following facts.

First, that Marshal Chang Hsueh-liang never did look with favor upon the prospect of two governments or a split China. He needs a central authority all the more now, if only because of the pressure of Japan and Russia. They are only too anxious for him to consider Manchuria a separate country. Then they could negotiate with him alone, or with intriguing and self-seeking local subordinates, and everything would be sweet—for Japan and Russia! A split China Proper would hasten this contingency. There also is little doubt that Marshal Chang and his political associates have looked with suspicion upon the so-called "domineering" attitude of exclusion assumed by the Kuomintang, and the "interference" of inexperienced returned students and their Tang Pu (Kuomintang branches). He permits none of these activities in his territory, as plain, every-day incidents prove.

The sincere but creaking machinations of Messrs. Wang Ching-wei, Quo Tai-chi, Chen Kung-po and Company failed to inspire him with ardor. When the barrage of words clears down, he cannot see anything left except a few generalities. Out of these some principles can be carved, some of which are pleasing and necessary, but most of which appear too ambiguous and far-fetched for a practical son of a soldier. In that attitude he went to Peitaiho. It was only by coincidence, of course, that he was invited aboard the British warship *Kent*, then lying off the beach. By only a further coincidence, of course, Sir Miles Lampson, British minister, happened to be stopping at Peitaiho at exactly the right time to meet the "Young Marshal" aboard that same man of war. Officially, they talked about the weather and the flowers that bloom in the spring. But spring had passed, and Sir Miles and the diplomats of other Powers have given every evidence that they feel there is little prospect for a permanent peace in the Allied Coalition in the North, but that Nanking at least has the tracks of government laid, even if it has delayed obtaining trains while concentrating on the employment of track watchers!

The friendly conference aboard the H.M.S. *Kent* provided the necessary persuasion, and soon it was known in Peiping that an agreement had been made between Nanking and Mukden, so far as the outstanding personalities of General Chiang and Marshal Chang were concerned. At an inopportune moment during these friendly pourparlers certain pro-Nanking officials around Peitaiho were said have been discovered tampering with the "Young Marshal's" troops. General Chiang at that time had captured Tsinan while the two leading generals delegated by Marshal Yen to Shantung Province were holding a polite disputation as to whose plan of defense should be followed. Certain persons thought this was the moment when an attack launched from the rear would finish Yen, and if Chang's troops could be drawn into it, he would have to accept intervention as an accomplished fact regardless of his personal wishes. The defeat dealt Yen and the interference with Chang's own men, if they accomplished anything at all, may have increased Chang's skepticism of the capability and sincerity of the leading lights in both camps.

Military intervention by Marshal Chang Hsueh-liang, however, was considered inevitable among Marshal Yen's adherents more than a week before the event. In certain circles it was freely discussed several days before. There was no dismay about it, as should have been expected if so strong an alliance was being made with the enemy! The only disquietude appeared in the camp of Wang Ching-wei. There one could hear hints of a possible excursion to the wide open spaces of Shensi or Shansi Province, where the weather presumedly would be not affected by cold winds from the plains of Manchuria! As long as 10 days before the announcement by Marshal Chang of his decision, it was believed in Peiping that Shantung was about to fall under his toga. It was declared that the leading generals in that province, Liu Chen-nien, Shih Yu-san, Han Fu-chu and one or two others, had come to a compact among themselves to withdraw from the present field of warfare and to look to Mukden for orders. Both Nanking and Taiyuan would lose men through this process, but the latter consoled itself with the fact that the former would lose more, and saw in the maneuver the release of troops for more vital theaters of conflict such as the Peking-Hankow and Lunghai lines. It was expected that a circular telegram of peace would be issued by these Shantung generals in their joint names so as to save Mukden from the necessity of having to do so, acting as a mouthpiece for that region.

Manchuria's action in moving troops, therefore, was not at all a surprise to the North, Never has Peiping experienced so peaceful and harmonious a turn-over! But the issuance of the telegram of peace by Marshal Chang at the time it came was a distinct surprise. It was expected by Yen and Feng that the maneuver would consist of tactics more conspicuously friendly to the North.

In northern camps it now is expected that after troops have been placed at strategic points and in sufficient numbers, Marshal Chang will issue a more definite circular telegram to the country in which he will outline a peace program. This, it is believed, will stress the necessity of maintaining a single central government, presumedly at Nanking, but possibly without a one-party dictatorship. Other forecasted pronouncements in the same message are expected to make impossible the continuation of a policy of "unification by force." Naturally there is much speculation in the North as to what Marshal Chang Hsueh-liang's second peace message will contain. Some say that he may threaten to fight anyone "who refuses to cease fighting." Others insist that he may demand the resignations of the three chief actors in the present drama, that is, Yen Hsi-shan, Feng Yu-hsiang and Gen. Chiang Kai-shek, but will permit the continuance of the Central Government at Nanking, probably including some new faces from the North and with a liberalizing program.

There is ample evidence that Marshal Chang's telegram of September 18 caught Marshal Yen by surprise. The brief response made

by Marshal Yen was put on the wires the next morning, and the fact that it was post-dated four days to September 14 deceived nobody. The first information of it obtained in Peiping at the headquarters of Chu Ao-hsiang, who was head of the department of foreign affairs for Marshal Yen and at the residence of Mr. Wang Ching-wei, came from newspapermen, and caught them unawares. Marshal Yen delved into the classical history of Taiyuan when it was the capital of China to find an apt allusion with which to phrase his message of withdrawal. Presumedly he would return to his own province. An alleged poison gas attack by Nanking was hurriedly taken as the excuse. The general program adopted, however, was in accordance with preconceived plans. On the face of it, it was only at Nanking's urgent request that Marshal Chang took over Shantung and Chihli. But this, incidentally, is looked upon as a checkmate not only to Marshal Yen, but to General Chiang Kai-shek, preventing him despatching soldiers northward. A *status quo ante* appared as the main program, with the exception that Marshal Chang would act for Nanking in holding Shantung and Chihli. Marshal Feng also would be expected to withdraw patiently into Kansu and Shensi Provinces, whence he came. But Kansu and Shensi are destitute, famine areas, bled white by incessant warfare, and whether Marshal Feng could support himself and his army there any better than he could in the past is doubtful to an extreme. Therein would lie the germs of a new war, when the various sides will have rested and regained their breath.

But whether the "Young Marshal" in his forthcoming second peace message, will insist upon the retirement of the three chief actors in the present drama, obviously depends upon the outcome of the present fighting in northern Honan. Should this fighting result in a stalemate, it is likely that Marshal Chang may make this demand, because a deadlock would leave an impossible situation certain to result in further warfare. Another element to consider is the fact that the career of Gen. Chiang Kai-shek assuredly does not suggest a man who would accept ouster with a smile.

The overwhelming hope, principally among the masses in North China, is that as a result of the holocaust of the past year a federation will evolve with a strong central government, but without interfering with purely domestic matters in strong regional governments, and with a reborn Kuomintang which does not insist on a monopoly of all virtue. Incidentally, nobody here seems to care just what arrangement is made between the various generals as to their location and titles, so long as they do not plunge the country into a renewal of strife.

A good precedent is seen in the intervention by Mukden, for if the various war lords are shown that when they go to battle, somebody else will pluck the brands of victory, they may be less anxious to fight among themselves. It is also felt that if as a result of Mukden's interference, Manchuria also becomes drawn into the actual civil warfare, the same precedent will hold true. The various factions will not win, but some outside party will again pluck the brands of victory without the expenditure of energy or lives. And that outside party either will be Japan, with her eyes on Manchuria, or Russia, with her eyes on new soviet republics!

# Reported Resignation of Marshal Feng Yu-hsiang

**The official *Kuo Min* service, in a dispatch from Tientsin, on Oct. 2 stated that the Shansi rebel troops in southern Hopei (Chihli) province were constructing defense works in the vicinity of the Peiping-Hankow railway, the reason for which was unknown unless as protection against the forces of Marshal Feng Yu-hsiang.**

**Gen. Chiang Kai-shek, in a message from the front on Oct. 2 stated that the war situation in Honan probably would be liquidated within one week.**

THE National State Council at Nanking on Tuesday, Sept. 30, announced the receipt of a telegram from Gen. Chiang Kai-shek stating that Marshal Feng Yu-hsiang had announced his retirement and that Gen. Chiang had dispatched Generals Ma Fu-hsiang and Chang Chi-kiang to take over the defeated Kuominchun troops. Both Ma Fu-hsiang and Chang Chi-kiang were formerly members of the Kuominchun military organization who had refused to join Marshal Feng when he rebelled against the Government last year. Unsuccessful in their efforts to pursuade Feng against his action last year they had severed their relations with the Kuominchun and had remained with the Government. Recently Gen. Ma was appointed chairman of the Mongolian and Tibetan Affairs Committee at Nanking.

Although details were not available regarding the circumstances of Marshal Feng's retirement, T. V. Soong, acting chairman of the Executive Yuan, confirmed the report and stated that Feng's troops were to be reorganized by the Government. Mr. Soong also announced that the Government troops had occupied the Kuominchun positions at Lanfeng, on the Lung-Hai railway in northern Honan, long the scene of desperate fighting between the government forces under Gen. Chiang Kai-shek and the rebel Kuominchun armies of Marshal Feng Yu-hsiang. The Shanghai *Noon Express*, a Chinese newspaper issued in the English language, published on Wednesday, Oct. 1, a dispatch from Nanking quoting Shao Li-tze, a member of the Central Executive Committee who is with Gen. Chiang in Honan, to the effect that Feng's decision to retire was due to his inability to maintain control of his troops. Mr. Shao stated that Feng's intentions were to proceed abroad (to Belgium) immediately.

Dispatches from the Generalissimo's headquarters at Liuho (Lung-Hai railway), which appeared in the Chinese newspapers at Shanghai on October 1, confirmed the report of the fall of Feng's strategic position at Lanfeng on the early morning of Sept. 30, the report stating that the Kuominchun troops had fallen back to Kaifeng. According to reports appearing in the *Shun Pao*

(Oct. 1) it was also claimed that the Government troops operating on the Peiping-Hankow railway sector had occupied the Kuominchun positions located about five miles south of Chengchow and that the fall of Chengchow was expected shortly. As a result of the pressure exerted by the Nanking troops on Feng's positions at Kaifeng and Chengchow, plus the fact that Feng's retreat westward into Shensi had been cut off by the government troops in the vicinity of Loyang, it was claimed that the subordinate officers in the Kuominchun had held a meeting at Chengchow and had secretly sent emissaries to Gen. Chiang offering to surrender. This apparently was responsible for Gen. Chiang's telegram to Nanking requesting Generals Ma Fu-hsiang and Chang Chi-kiang to proceed to the front in order to take over command of the Kuominchun forces. The *Shun Pao* report stated that Gen. Chiang Kai-shek, commander-in-chief of the Government forces, was proceeding immediately to Nanking.

Practically all the forces of Gen. Yen Hsi-shan, leader in the so-called Northern Military Coalition, which had been stationed in Hopei (Chihli) province, had been evacuated to the vicinity of Shihchiachwang, on the Peiping-Hankow railway to the south of Peiping, the purpose being to return to Shansi province. A telegram from Peiping (*Shun Pao* Oct. 1) stated that Feng Yu-hsiang had requested the Manchurian forces not to press his troops too severely as difficulty was being experienced in finding sufficient rolling stock to transport them back to their home base. The Shansi troops which had been stationed at Paotingfu (Hopei) departed on Sept. 30, following which the town was immediately occupied by the Mukden forces. The exact number of Mukden troops which have entered Hopei province has not been stated, but reports by the foreign news services have estimated them at 50,000. It was stated that the Manchurian troops, commanded by Gen. Yu Hsueh-chung, would hold the three railways centering at Peiping, the Peiping-Hankow, the Peiping-Suiyuan and Peiping-Mukden lines and in addition a further force would occupy the Tientsin-Pukow line from Tientsin to Techow on the Hopei-Shantung border.

Marshal Chang Hsueh-liang, head of the Manchurian administration, according to reports from Mukden, is planning to proceed either to Nanking or Peiping for a conference with Gen. Chiang Kai-shek, shortly following the Chinese national holiday on October 10. It was stated that Marshal Chang would formally assume the position of Vice-Commander of the National Military and Air Forces on October 10, the oath to be administered by representatives of the National Government now in Mukden. The Government on Sept. 28 confirmed the appointment of Marshal Chang's nominees as mayors of Peiping and Tientsin and also as Commissioner of Customs at Tientsin, the nominees being Hsiung Shih-lien, Mayor of Tientsin, Chen Hsing-ya as Mayor of Peiping, and Han Lin-sung as Superintendent of Customs at Tientsin. Lenox Simpson (Putnam Weale) the British writer and propagandist who had been appointed Commissioner of Customs at Tientsin by Gen. Yen Hsi-shan, made a hurried trip to Mukden in an apparent effort to induce Marshal Chang to permit him to carry on at Tientsin, but according to reports from Mukden, Marshal Chang rejected the request and told him that the Commissioner at Tientsin would be appointed by the Inspector-General of Customs at Shanghai.

In an apparently final effort to preserve the unity of the Kuominchun troops, Marshal Feng Yu-hsiang on Sept. 25 hurriedly dispatched two representatives, Ho Chi-kung and Hsiung Ping, to Mukden and offered to turn over command of the Kuominchun to Mukden. A report from Peiping (*Shun Pao* Oct. 1) claimed that Marshal Chang had rejected this offer and declared that the disposition of the rebel forces would have to be settled by the Central Government. Efforts which apparently were exerted by Wang Ching-wei and other Kuomintang "outs" in the North to bring about a personal conference between Yen Hsi-shan and Feng Yu-hsiang for the purpose of deciding upon future plans for the "Reorganizationists," were not successful, according to a *Shun Pao* report from Peiping on Oct. 1. The cause of this failure was not stated, but a report circulated by the Japanese Rengo service on Sept., 30 claimed that the former-Kuominchun general. Shih Yu-shan, who recently turned over to the Government, had advanced his troops to the vicinity of the Peiping-Hankow railway and had blown up a bridge in the vicinity of Changteh, thus severing communication between Yen's base at Shihchiachwang and Feng's headquarters at Chengchow in northern Honan at the junction of the Lung-Hai and Peiping-Hankow lines. As noted elsewhere in this issue of *The Review it is* expected that through railway traffic on the Tientsin-Pukow railway will be restored shortly.

In further reference to the military situation, Gen. Ho Yin-ching, Minister of War in the National Government and director of the headquarters of the Commander-in-Chief at Hankow, stated in an interview (*Hankow Herald*, Sept. 30) that practically all of Gen. Yen's troops had evacuated Hopei province to Shihchiachwang. In reference to the situation on the Lung-Hai, Gen. Ho stated that the Government forces had occupied many of the defense lines formerly held by the Kuominchun and had occupied the town of Kihsien and that the rebel forces were suffering from shortage of food and munitions. As a result many of Feng's subordinates had sent emissaries to the Generalissimo's headquarters at Liuho offering to surrender. In reference to the situation in the South, Gen. Ho claimed that the rebel Kwangsi forces still holding out in Kwangsi province, had been reduced to less than 10,000 men and since the fall of Nanning, they had fled to Liuchow in the center of Kwangsi. He reported that the Kwangsi rebel forces had offered to surrender to the Cantonese troops, but the offer had been rejected. As to the communist situation in Hunan province, Gen. Ho Yin-ching claimed that the main red forces in the area of Liling had been routed and the remnants had fled to Liuyang with the intention of entering Kiangsi province. Gen. Ho declared that as soon as the rebellion in the North had been liquidated that strong forces would be sent south of the Yangtsze for the purpose of completely suppressing the communist gangs. In reference to the general situation, Gen. Ho emphatically denied the reports that Yen and Feng would be pardoned. He declared that Yen and Feng had

been given sufficient opportunity to cooperate with the Government, but that both "had cunningly deceived their innocent soldiers about the 'Three Principles' which had been responsible for the long-drawn-out civil war, hence both must be punished for their misdeeds." In conclusion he claimed that the Government "was not prejudiced against Yen and Feng, but that there could be no peace or reconstruction until they had been eliminated."

## RELATIONS OF NANKING AND MUKDEN

Dr. C. T. Wang, Minister of Foreign Affairs at Nanking, in a statement circulated by the *Kuo Min* (official) news agency on Sept. 30, denounced reports which had appeared in the foreign newspapers regarding a possible clash between Nanking and Mukden as "the vain imaginings of diehard rumor-mongers who, having backed the wrong horse, are now bent on sowing the seeds of fresh discord." Dr. Wang declared, "as a matter of fact, there is complete understanding between the Central Government and the Northeastern provincial authorities."

As indicated in the summary of the political situation which appeared in last week's issue of *The Review*, the general prevalence of war psychology has been responsible for this feeling that further fighting is inevitable, a feeling that has been accentuated by reports circulated by various agencies in the North forecasting early trouble between Gen. Chiang Kai-shek and Marshal Chang Hsueh-liang. For example, the Japanese *Rengo* service on Sept. 29 issued a dispatch from Mukden alleging that Marshal Chang had sent a telegram to his commanders at Tientsin and Peiping instructing them to prohibit strictly all activities of the Central and Municipal Kuomintang organizations. The National Government officially denied this report on Oct. 2.

While no one can forecast what is likely to happen in the Chinese politico-military situation, the tendency now seems to point in the direction of a period of peace. According to the article by Edward Hunter dealing with the situation in the North, which appears elsewhere in this issue of *The Review* Marshal Chang in his intervention movement in the North, was largely inspired by a desire to prevent the formation of a rival government. Marshal Chang, due to his difficult diplomatic position in Manchuria from the standpoint of Soviet Russian and Japanese aggression, is in a situation to realize the extreme importance of maintaining a strong central government. His military intervention was therefore largely inspired by this motive, although in the background there undoubtedly were also the motives of personal interest and aggrandizement, exemplified in his control of the ports of Tientsin, Weihaiwei and Tsingtao. The *Shun Pao* on Oct. 1 published a dispatch from Mukden giving the reasons for Marshal Chang's intervention as (1) desire to restore peace; (2) to strengthen the authority of the Central Government; (3) to assist the Central Government in eradicating the evil of civil war; (4) to improve the general political situation. This dispatch repeated the previously published reports that Marshal Chang shortly would dispatch another "peace telegram" to the National Government wherein he will outline his views regarding the political rehabilitation of the country. Until this telegram is made public it is impossible to forecast what is likely to happen in the immediate future. As stated previously, Gen. Chiang is likely to be influenced by certain political interests who have never evinced any too-great friendliness toward Nanking or the Kuomintang. It is therefore likely that Gen. Chiang may suggest certain modifications at Nanking, which Nanking may or may not, be able to put into practice.

The present tendency however, is in the direction of a peaceful solution of these problems, the reasons being about equally balanced on both sides. Nanking desires peace in order that the general reconstruction program may be inaugurated. Mukden desires peace in order to strengthen its diplomatic and economic position in respect to Japanese and Soviet Russian penetration. Nanking wants to complete the Canton-Hankow railway as a means of unifying Central and South China. Mukden wants to speed the development of the port of Hultao as a means of counteracting Russian and Japanese economic penetration of the so-called Northeastern propinces, otherwise, Kirin, Liaoning (Fengtien), Heilungkiang and Jehol. Should Mukden and Nanking now engage in another war it would have the inevitable effect of weakening Manchuria and possibly might result in the division of that territory between Japan and Russia. From the standpoint of Nanking it would weaken the National Government and make impossible its reconstruction program which includes financial and economic rehabilitation, not to mention the diplomatic problems involved in the abolition of exterritoriality and rendition of the foreign concessions. The foreign Powers, particularly America, Germany, Britain, Japan and France have gone a long distance in their support of the National Government. Naturally they would not continue this support indefinitely in the face of continuous civil war.

That the National Government is giving consideration to the matter of domestic political policy, particularly in respect to elements which have been rised in connection with the recent civil-war was indicated on Sept. 30 when Wu Chih-hui, a veteran Kuomintang leader, outlined the Government's views in respect to a provisional constitution. According to Wu Chih-hui, it was due to the failure of the Provisional Constitution of 1911 that the late Dr. Sun Yat-sen formulated his plans for National Reconstruction and the Kuomintang Party Platform set forth in the First National Kuomintang Congress of 1924. Mr. Wu claimed that everything for which the Chinese people had aspired, was embodied in these works and if they were faithfully carried out, they would be of more benefit to the people than any provisional or permanent constitution. Continuing, he stated that since the period of "political tutelage" had not been completed and constitutional government had not been inaugurated, .... the drafting of such a constitution must of necessity be postponed to the time when the period of political tutelage was completed and a People's Conference could be convened." In reference to the matter of a National Convention (demanded by Wang Ching-wei) Wu Shih-hui

(*Continued on page 191*)

# Why the United States Does Not Recognize Soviet Russia

BY JOHN SPARGO

*(Formerly a Socialist Leader, Author of Books on the Relations Between the United States and Soviet Russia, in Current History for September.)*

IN THE PROTRACTED contest between the ideals and institutions of communist-sovietism and those which for convenience we will designate capitalist civilization there has been thus far no single event of greater or more far-reaching importance than the refusal of the Government of the United States to recognize the Russian Soviet Government. It is agreed by the best minds on both sides that a contrary decision in 1920 would have changed the whole course of international politics during the decade just ended.

Intrinsically the note which Secretary of State Colby addressed to the Italian Ambassador in Washington on Aug. 10, 1920, stating the position of the United States toward the Russian Soviet Government, is one of the most important diplomatic documents in our history. In political importance as well as in style it ranks high among the half dozen or so really great State papers issued by our government during the last hundred years. The audacity of its attack, the merciless severity of its arraignment of the principles and policies of the Bolshevist regime, and the uncompromising declaration of the impossibility of our admitting to the privileges of official recogniton and intercourse the power responsible for those principles and policies, had the great merit, unique among diplomatic papers, of sharply and unmistakably defining the issues of an irreconcilable conflict between social systems in such manner that it could be equally well understood in the cottages of the humble and the chancelleries of empires. Chicherin, the brilliant former Soviet Minister for Foreign Affairs, while denouncing the position taken, admitted these qualities of the Colby note.

The armies of Soviet Russia had invaded Poland and seemed likely to subjugate that newly reconstructed nation. The Italian Ambassador in Washington inquired what the attitude of the Government of the United States was, both toward the Russian-Polish conflict itself and toward certain efforts that were being made to effect an armistice between the two powers. Secretary Colby replied to the specific question as follows: The United States desired "the maintenance of Poland's political independence and territorial integrity," and took no exception "to the effort apparently being made in some quarters to arrange an armistice between Poland and Russia." At the same time the United States was opposed to "the expansion of the armistice negotiations into a general European conference," the reasons for this opposition being that such a conference would involve recognition of the Soviet regime and a settlement of problems of vital importance to Russia upon the basis of her dismemberment. "From both of these results," said the note, "this country strongly recoils."

### The Colby Note

The reply to the question of the Italian Abassador was concise, ample and free from ambiguity. It gave notice to the powers that the policy of the United States was opposed equally to any dismemberment of either Russia or Poland and also to the recognition of the Soviet regime at that time. Had the note stopped there it would have met the requirements of the moment well enough. It would have been a conventionally proper and technically correct diplomatic note, and nothing more.

What gives the Colby note its historical importance and pre-eminence among the diplomatic papers of our time is the trenchant and fearless exposition of the reasons why the United States could not give recognition to the Soviet Government, unless and until the latter divested itself of those inherent characteristics which distinguish it from all other governments, past or present. The note emphasized the fact that the Government of the United States did not concern itself with any feature of the political or economic structure which had been set up in Russia by the Bolsheviki. It did not object to either the Soviet form of government or communism as an economic system. The right to establish either or both of these is inherent in Russian sovereignty. Denial of recognition was based upon the conviction that there was in the regime something fundamental to its existence which made it impossible for the United States to hold with that regime the relations common to friendly governments and logically ensuing from recognition.

It was an impossible thing. There was no matter for argument or adjustment. The biological impossibility of mating a humming bird with a hippopotamus was not greater than the impossibility of friendly relations between powers so infinitely remote from each other. In language the severity of which is unparalleled in the history of modern diplomacy Secretary Colby set forth the indictment upon which he based the conclusion that "in the view of the government there cannot be any common ground upon which it can stand with a power whose conceptions of international relations are so entirely alien to its own, so utterly repugnant to its moral sense."

Publication of the note caused a sensation. It was realized that here was no mere statement of momentary policy, another move in the diplomatic game. Here was finality itself, the irrevocable. It was made manifest to all mankind that the United States had measured the Soviet regime, examined its philosophy and principles, and, having reached an inexorable conclusion, had deliberately challenged it. Secretary Colby had placed the United States in the position of foremost defender and champion of the principles and usages upon which international order and comity are founded. Incidentally he established for himself a place among the greatest of our Secretaries of State and as a diplomat whose work was of epochal importance.

Mr. Harding, then a candidate for the Presidency, had declared publicly that if elected he would reverse the entire foreign policy of President Wilson. Privately he had said that he would recognize the Soviet Government. "No American statesman," said a high European official, "will dare attempt that for a generation to come upon any terms less than the complete surrender of the Soviet regime to the American position. The note of Secretary Colby is one of those rare declarations which all subsequent statesmen have to accept as unchangeable."

Ten years have passed. Woodrow Wilson has been succeeded by Warren G. Harding, Calvin Coolidge and Herbert Hoover, while Secretaries Hughes, Kellogg and Stimson have succeeded Secretary Colby. The position taken by Colby has been stoutly and ably maintained to the last letter by his successors. So strongly did Secretary Hughes emphasize that position, reiterating his objections and arguments, that the policy came to be widely spoken of as "the Hughes policy." From time to time there have been flurries of agitation in favor of a reversal of the policy and recognition of the Soviet regime, but such a reversal is less likely today than at any time during the ten years that have elapsed since Secretary Colby's declaration rang like a clarion call through the chancelleries of the world. The opposition to the policy in this country is negligible in quantity and quality alike, especially the latter. A few self-styled intellectuals join with scattered political malcontents in a futile protest against the irrevocable, but the policy is buttressed by the incontestable sanctions of the nation, our self-respect and our strength.

Most impressive of all the tributes to the strength of the American position is the pitifully weak case which its opponents have set up. The foremost leaders and spokesmen of the Soviet regime, admittedly among the ablest and adroitest of controversialists, have devoted their talents to the task of discrediting the Colby note and our policy of non-recognition. Yet a dispassionate survey of the pro-Soviet arguments assailing our policy throughout the decade can convey to a thoughtful mind no other impression than one of incredible weakness. De-

spite the care and precision with which Secretary Colby, in terms understandable and incapable of misinterpretation, stated our position that our refusal to accord recognition to the Soviet Government has nothing to do with any feature of any of its domestic institutions, scarcely an argument appears on the Soviet side which does not assail the American policy upon the ground that our refusal to recognize the Soviet Government is due to our disapproval either of the Soviet form of government or of communism. If this argument is sincerely advanced, in the belief that it is valid, then the lack of intelligence is most pitiful. The only alternative is to hold the argument in contempt as a studied and cynical affront to our national intelligence.

### Must Abandon Hostility

In our foreign relations we can recognize and hold relations with monarchies, dictatorships and republics, with slave States and free nations, with every variety of race and cultural development. No American statesman would dare make the political form of any government or the economic system of any nation the basis of a denial of diplomatic recognition and intercourse. Secretaries Hughes and Kellogg were as careful as Secretary Colby to emphasize that our policy involved no such infantile innovation in world politics. Russia can adhere to the Soviet form of government, if it so pleases, and it can develop communism to its ultimate limits, if it so pleases, and still gain recognition. All that it has to do is to abandon its avowed hostility to other nations, including our own, which do not desire, and will not have thrust upon them, either sovietism or communism. Let the Soviet Government abandon its policy of promoting world-wide revolution, either directly or through the instrumentality of the Communist International, let it manifest the international good-will which has invariably been the requisite condition for admission into the family of nations and recognition will be accorded to it.

In the words of Elihu Root, "recognition means that each government accepts the implied assurance of the other that it will maintain true friendship, true respect, true observance of the obligations of good neighborhood. * * * The fundamental doctrine of the men who govern Russia is that it is their mission in the world to overturn and destroy the Government of the United States, of England, of France, of all the civilized nations of the Western World. * * * The act of recognition would be a formal and a solemn lie, a false pretense of accepting the obligations of the Bolshevist rulers of Russia to observe friendship to the Government and people of the United States."

That is the essence of the matter. To enter upon such an agreement with the Soviet Government is incompatible with our national self-respect. The case is without precedent, for there has never before in the history of civilization been a government which on the one hand openly proclaimed its intent and purpose to be the overturning and destruction of the social and political institutions and the economic systems of other nations, while on the other hand it demanded that the governments of those other nations accord it recognition as a friendly power, grant it diplomatic privileges and advantages which are universally reserved for friendly powers and universally withdrawn from any power which commits unfriendly acts. It is futile and vain to argue the matter; recognition of Soviet Russia would be shameful self-abasement.

With amazing effrontery, or amazing stupidity—it is hard to decide which—the pro-Soviet advocates tell us that, even if the Soviet leaders are hostile to our institutions, and even if the Soviet regime does inspire and direct propaganda in other nations for the overthrow of their economic and political institutions, and would do so in this country through abuse of diplomatic privileges if these were granted to them, the United States ought, nevertheless, to grant recognition to the Soviet Government and accord it those opportunities. Failure to do this, they say, is evidence of a lack of faith in the stability of our own institutions, a sense of weakness and fear that propaganda will destroy our political and economic system. It is a curious argument. It does not require answer from a statesman; any psychiatrist can explain it. Our scientific culture, our sanitary and medical forces and resources are ample to enable us to cope with an outbreak of bubonic plague let us say. Is that any reason why we should admit people suffering from the disease through our seaports to spread infection? Must we say that the danger of a great epidemic is small because we have the means to deal with the epidemic before it become great? To state the question clearly is to expose its absurdity.

### A Sign of Strength

Our refusal to recognize the Soviet Government arose from our consciousness of strength, not from consciousness of weakness or from fear. In one country after another statesmen have expressed their admiration and envy of a policy they dared not emulate because of internal weakness in their own countries. Our Communist movement is a negligible quantity. It has no political significance. Our labor movement, led by the American Federation of Labor, and incomparably the most efficient of all the national labor movements, has from the first been a strong bulwark against Bolshevist propaganda in this country. It is not involved politically as the labor movement is in all the leading countries of Europe, nor compelled by the nature of politics to compromise and placate extremist minorities. When the Colby note was written the United States was the only great power which was in a position to shape its policy with a sole regard to international order and well-being, to be guided by the highest and best traditions and principles of international law and the comity of nations.

We have not attempted to apply to Soviet Russia any new principle. We have not required of the Soviet Government, as a condition prerequisite to its recognition, any act or undertaking which is not implicit in every act of recognition of a foreign power in our history and, what is more significant, is clearly and universally recognized as the requisite condition for the continuance of diplomatic relationships however long established.

Suppose that Mr. Ramsay MacDonald and his principal associates in the British Cabinet belonged to a political organization similar in character to the Communist International, which not only claimed but actually exercised the power to control and direct the action and policies of the Cabinet. Suppose this organization were international in scope with branches in many countries, including our own, over which the central organization claimed and exercised the same jurisdiction and control as over the Cabinet. Suppose, further, that Mr. MacDonald, Mr. Henderson, Mr. Thomas, Lord Passfield and other important members of the Cabinet also held important positions in the councils of the international organization; that this organization by formal resolutions and published proclamations declared its hostility to this country and its institutions, avowed its intention of promoting a revolution here, and called upon its members in this country, some of them our own citizens, to institute agitation and strikes for revolutionary purposes and to incite conflicts between the white and colored races for the same purpose. That would be a state of affairs exactly parallel to that which obtains in the case of the Soviet Government.

Now suppose that Mr. MacDonald and his associate Ministers, while adopting a perfectly correct manner toward our government when speaking in Parliament and in formal communications, nevertheless, in their capacity as members and officials of the international organization, acted in accordance with its policy as above described, does anybody believe that we should maintain diplomatic relations with Great Britain upon any terms less than the complete severance of the British Government from the international organization, and the unreserved repudiation of that organization and its hostile policies by the British Government? The President of the United States who dared tolerate such an affront and failed to dismiss the British Ambassador would be impeached as fast as our constitutional procedure permitted.

### The Changes Since 1920

We are told that conditions have changed since 1920 to such an extent as to render obsolete the policy based upon the then prevailing conditions. That argument is advanced, in varied formulas, by all who favor recognition of the Soviet regime, no matter for what reason. There have been changes in conditions since 1920, both

in Russia and in the world at large. The Soviet regime has outlasted all expectations and predictions—even those of its own greatest leaders. Contrary to the expectation of its followers and its foes alike, the regime has managed to exist and to function despite the non-appearance of the world revolution upon which it was supposed to be completely dependent and without which, friends and foes believed, it could not exist. So much may be admitted while retaining a sense of proportion and without accepting the fairy stories of propagandists on either side. There is undoubtedly less anarchy in the government than in 1920. There is also greater technological efficiency.

If the matter were in the least degree pertinent to our discussion, instead of being wholly irrelevant, we might profitably devote some time and space to the discounting of some of the romantic nonsense that has lately been published in the famous "Five-Year Program" of the Soviets. The naive assumption that mere multiplication of factories and railroads shows economic growth and progress indicates ignorance of economics that is almost abysmal. During a large part of the eighteenth century Russia under the Czars was the theatre of a colossal program of palace building and dock and harbor construction. That was a program arbitrarily designed by the rulers and imposed upon the nation; it did not develop naturally from the life and needs of the people. A despotic government with slave labor to depend upon had no need to count the cost of anything. Much of the industrialization thus far achieved in connection with the "Five-Year Program" has been of the same uneconomical character as the useless "improvements" of the eighteenth century.

Moreover, thoughtful economists, including many whose sympathies are with the Soviet regime, have been calling attention to the increasingly serious problems arising from the excessive commitments of the Soviet Government to its foreign creditors. While thus far it has managed to make the required payments upon its obligations, it is well known in financial circles that the Soviet Government is finding payment increasingly difficult. Then, too, there is the serious discrepancy between the officially published exchange rate of the chervonetz, as on a par basis of two rubles to one dollar, with the fact that the actual exchange in Moscow—effected through "bootleg" channels for the most part—is on the basis of from ten to twelve rubles per dollar. In Berlin and other European capitals the actual exchange rate during July ranged from eight to twelve rubles per dollar.

The sole purpose of these observations upon the romantic accounts of Soviet Russia's economic progress is to suggest caution. Our refusal to grant recognition to the Soviet Government was not based upon any theory that it was incapable of efficient functioning, or that it was weak and inherently incapable of developing strength. It was based upon the fact, which no spokesman or apologist for the Soviet regime has questioned or denied, that the central aim and purpose of the Soviet Government, openly avowed by its responsible statesmen, is to promote world revolution and bring about the overthrow of all other governments, including our own. That fact makes it unfit for confidence and trust. Its own choice has placed the Soviet regime beyond the pale. Recognition and the friendly relations which are derived from recognition are impossible between us and a regime which we can never trust and which can never trust us.

### Recognition a Sign of Weakness

True, other nations have recognized the Soviet Government. In the main, they have adopted that course because they were compelled to do so by internal political weaknesses from which we were and are happily free. Great Britain would never have recognized Soviet Russia were it not for the fact that its organized labor movement is political in its character, with Communists constituting a disturbing element. That and the Soviet menace to India compelled British recognition, as more than one British statesman has admitted. France, too, with a government politically unstable because of its many political parties and groups, a condition giving to its Communist elements a dangerous power, had to shape her policy according to her inherent weakness.

This view of the causes determining the action of the British and French Governments in recognizing the Soviet Government may be disputed and rejected, of course, but none can deny that the experience of both nations has amply sustained the contention of the Colby note that the Soviet Government is incapable of honorable friendship with the government of any capitalist nation. In both Great Britain and France actual experience has made it necessary to debase diplomatic intercourse as it never has been debased by either nation. If any one doubts this statement let him explain the famous Arcos raid in London and the scandals attendant upon the espionage maintained over the Soviet Embassy in Paris. There is hardly the pretense that Soviet Ambassadors are trusted as the Ambassadors of other friendly powers are trusted. Belief that the Arcos raid was a simple incident is evidence of subnormal political intelligence. It was the logical result of a long sequence of abuses by Soviet agents without a parallel in modern diplomatic intercourse.

Our Russian policy is the product of political realism. We have no romantic illusions. Precisely as any self-respecting individual may buy from or sell to other individuals with whom he refuses to hold friendly social relations, and for whom he has scorn and contempt in social life, so as manufacturers and traders our citizens carry on such trade with Russia, through the existing government, as they find profitable, yet insist upon our own government imposing an effective barrier against the recognition of the Soviet Government—a power which we despise as thoroughly as we respect the Russian nation itself. Any departure from our policy in this respect is politically impossible.

## China Appeals to League to Assist in Treaty Revision

The Chinese Ministry of Foreign Affairs telegraphed last week to the Chinese delegation to the Assembly of the League of Nations at Geneva, instructing that a resolution be submitted to the Assembly recommending the reconsideration and revision of various unilateral treaties between members of the League, in accordance with Article XIX of the Covenant of the League, which reads:—

> "The Assembly may from time to time advise the reconsideration by members of the League of treaties which have become inapplicable and the consideration of international conditions whose continuance might endanger the peace of the world,"

A *Kuo Wen* message comments that since the signing of the League Covenant in 1919, this important provision has never been once put into effect. A resolution proposing the reconsideration and revision of unilateral and inapplicable treaties between China and certain other members of the League in accordance with this article was submitted by Dr. C. C. Wu at the meeting of the Assembly last year. Owing, however, to the opposition of France and several Central European States, the resolution was defeated.

## Peoples' Union Again Protests Against Increased Water Rates

The (Chinese) Peoples' Union of Greater Shanghai has issued another manifesto protesting against the increase in rates by the Shanghai Waterworks Co. The particular point that is made is that as the rates are collected on the basis of rental the Water Company has actually already been receiving a greatly increase revenue owing to the enormous increase in rentals during the past few years.


## Customs Notification No. 1194

The public is hereby notified that from the 1st October 1930 no drawbacks will be issued for either native or foreign goods re-exported to Weihaiwei.

W. R. Myers
Commissioner of Customs

Custom House,
Shanghai, 26th September, 1930.

# Chinese in Australia Are Asking for Better Treatment

*The discriminatory treatment meted out to Chinese in various parts of the world has evoked many protests from the National Government, which, despite the internal troubles, has insistently followed its program of demanding the abolition of extraterritoriality, the rendition of foreign settlements, etc.—knowing full well that, however much its opponent might disagree with it on other matters, all Chinese throughout the country are of the same opinion on these points. Many countries have discriminatory legislation against the Chinese, and particularly is this the case in Australia.*

*Below is given a summary of recent events, and comments, in connection with this subject.*

THE *Manchester Guardian*, August 26, published a long article on the Chinese in Australia, from a correspondent in that country, the principal paragraphs of which are as follows:

During the days of the gold rush in the roaring fifties (and sixties) Chinese were imported under Government supervision to look after cattle and to do various kinds of agricultural work; the demand for labor had become acute, because all sorts of people were abandoning their ordinary avocations and hurrying off to the goldfields. Most of the Chinese deserted their pastoral and agricultural work after a few months and tried their luck on the goldfields. But these were only the beginnings of the immigration. Probably they wrote to their relatives in China about the Golden Land; however the news got abroad, the southern ports of China soon became scenes of great excitement on account of the numbers of intending migrants who wanted to get to Australia.

There was soon a Chinese problem on the goldfields, The white miners resented the presence of the Chinese; it was said that their system of mining prevented the ground being reworked—and there were a lot of rather frivolous charges made against them.

Hatred against the Chinese culminated in the riot on the goldfield at Lambing Flat in New South Wales. I have heard an old English miner speak with pride of the way in which they "smashed up the shanties and cut off the pigtails of the Chinamen." It was a disgraceful exhibition of mob law, which at the time was regarded as a righteous vindication of the white civilisation.

During the gold rush a fear grew up that the Chinese would outnumber the whites and take the industry into their own hands. This fear has colored Australian politics ever since. And now the Chinese are beginning to kick against the restrictions which have been enacted against them. The Republican Government of China has been setting the diplomatic machinery to work with the object of having its citizens resident in Australia placed on no worse footing than any other aliens, subjected to no worse disabilities than are inflicted on Syrians or Italians or Greeks.

### Some Strange Restrictions

It must be admitted that some of the regulations which apply to the Chinese in Australia are needlessly insulting. A couple of years ago a protest was sent to the Sydney papers against the treatment accorded to the Rev. Yung Wai, a Chinese Presbyterian minister. This gentleman was 77 years of age at the time, and went down to the quay to meet the minister from China who was coming to take his place on his retirement. When he attempted to board the vessel he was brusquely told by a young Customs official that no Chinese were allowed on board. At the same time Japanese, Filipinos, and Indians are freely allowed to board incoming vessels.

The justification for this absurd regulation is found in the supposed danger that Chinese may go aboard a vessel, have opium passed to them, and walk ashore with it in their pockets. As opium sells in Australia for about 30s. an ounce at the present time, it would be very easy for anybody to put a quantity worth £100 in an overcoat pocket. But the application of such a rule to a Presbyterian minister is an absurdity. The better-class Chinese are doing their best to break their countrymen of the opium habit. There are anti-opium agencies amongst the Chinese, just as there are temperance organisations amongst ourselves. But the unthinking Australian lumps all "Chinamen" together and regards a Presbyterian minister as quite capable of going down to a steamer to smuggle opium ashore.

The most outrageous regulation is that which forbids a Chinese who comes to reside in Australia to take his wife with him.

One virtually never hears of any lawlessness on the part of the foreign element in Northern Queensland. In fact, the boot is on the other leg. As I write this two white Australians are being tried in Cairns for the murder of a Chinese gardener. We frequently hear of Chinese being the victims—not the perpetrators—of crime. It is a fairly common occurrence for a Chinese gardener living in a lonely hut on his cabbage patch to be robbed and assaulted by white larrikins.

### Moral Delinquency Rare

The idea that the Chinese are inferior morally to the mass of the population of Australia cannot be supported by evidence. We hardly ever hear of Chinese being charged with felony in Australia. Occasionally the police raid a Chinese gambling house while fan-tan or puk-a-pau is in progress. Then everybody is shocked at the moral delinquency brought to light. Meanwhile the white plays "two up," the most gambling game in the world. It is, however, quite fair—unless your opponent has a double-headed penny.

### The "Chinaman's Garden"

There are numerous legal disabilities under which the Chinese labor in various States. In Queensland they are shut out of the sugar-cane industry, and also out of the banana industry. But those who are settled in various other industries are rather prosperous. There are some big commercial firms whose annual turnover runs into six figures. It is to the interest of the Commonwealth to encourage such firms to settle in Australia. It leads to the export of Australian goods to China—a field in which there are said to be great possibilities.

But the masses of the Chinese in Australia devote their energies to market gardening. They pioneered the growing of tobacco in three States—Victoria, New South Wales, and Queensland. A well-known public man said recently that if it were not for the Chinese all Australia would be dead of scurvy. The towns are dependent on the "Chinamen's gardens" for vegetables. You will meet people who will say, "Hang it all; they don't give the white man a chance," But the white man makes no attempt to grow vegetables on a large scale in Australia. Gardening is an inconceivably laborious pursuit in a country in which the thermometer fluctuates between 90 and 100 degrees Fahrenheit for half the year, and in which it does not rain sometimes for six months at a stretch. The patient Chinese can be seen manipulating the hose at five in the morning; they do not stop at sunset, but may be seen working for hours by the light of the glorious Australian moon. It is only by such methods that vegetables can be raised in hot, dry districts.

The Chinese have many virtues—people often achieve more unpopularity by their virtues than by their vices. But they are at last asking to be regarded as human beings in Australia. The appeal will doubtless at first be treated with supercilious indifference. But the Chinese are a patient people and can wait. As one of their own sages says, "He who lives long will see many things."

⁂

# Normal Family Life Impossible for Chinese in Australia

BY "OBSERVER"

Dissatis faction must be the feeling of the average Chinese over the long expected reply of Mr. Scullin, the Premier of Australia to the Chinese Consul General's note of May 1st protesting against the oppressive treatment of Chinese immigrants by the Australian authorities.

Briefly, the note urged the discontinuance of the taking of finger prints of unprohibited Chinese, the limitation of the right of search of prohibited immigrants and the withdrawal of the ban on the entry of wives. According to *Reuter*, the Premier, in his reply, beyond promising the consideration of the temporary admission of wives, curtly expressed his inability to comply with the requests mentioned, explaining that the questions were intimately connected with Australian immigration policy.

While we heartily endorse the actions of the Chinese Consul General, we are compelled to confess, with a profound sense of bitter dissappointment, that the protest amounts to nothing, as the treatment of Chinese is still remain almost unchanged. Although promise has been

given to the effect that measures will be adopted to consider the admission of wives following the stirring of Australian official and unoffical conscience, yet it still has to be seen whether the consideration will be put into actual practice permanently. It is significant, in view of the trend of the times, especially when we realise the fact that Australia is a Christian country, that laws are still enforced whereby Chinese are compelled into immoral cohabitation with natives as a result of the ban placed on the entry of wives. So important is the question relating to marriage and family life that "Church and the Sex Problem" was one of the chief subjects discussed at the Lambeth Conference. Below are some weighty words culled from the Encyclical Letter of the Archbishops and Bishops issued on August 24th relating to the problem:

"The beauty of family life is one of God's most precious gifts, and its preservation is the lifelong union of husband and wife on which our Lord decisively set His seal. Holy marriage is part of God's plan for mankind. It follows that any community disregards this at its peril. Empires have perished before now because the dry rot of laxity and corruption set in. To maintain the ideal of marriage is therefore to preserve the social health of the community."

### Australia's Policy of Race Discrimination

Taking the existing situation vis-a-vis the Chinese as a whole, and at a moment when social leaders and politicians from the four corners of the earth are clamoring for Peace and when the hackneyed phrases "International Goodwill," "World Fellowship," etc, etc", daily reach our ears, it is unbelieveable that Australia still persists in her policy of racial and color discrimination. We admit that every country has a right to shape her own laws and policies to meet her own particuliar needs and certainly Australia is no exception to this privilege. But, rationally speaking, there is no necessity to assert that power to such an extent as to disregard the dictates of humanity by inflicting unnecessary and unjustified hardships and sufferings on a section of her population. If such a policy is exercised under the plea of protecting Australian white laborers and other economic reasons, then the policy is wholly unsound. In an address delivered on June 19th at a meeting of the Educational Fraternity on "Education in Relation to National Methods, Efficiency, and Welfare" Professor E. J. Goddard remarked that with its huge area and sparse population, Australia was trying to do what no other country was attempting, and that was to maintain a normal White Australian population, despite the fact that the bigger section was parasitic on the smaller section. Professor Goddard confessed that there was no doubt a marked human discontent in Australia. This discontent and national inefficiency were matters that would have to be overcome. Further he deplored that Australians had been wasting the opportunities that had accrued to them owing to their juxtaposition to the East Indies, China, and Japan.

Analysing the existing position, Professor Goddard remarked that the most important factors responsible for this state of affairs were ignorance and prejudice, inability on the part of the community to think clearly, disappointed or discontented individualism, which had for its basis communism and political opportunism. He ended with the shrill warning that if Australia was to come into her own, Australians would have to be put in a position to understand the potentialities of their country.

Of the 6,000,000 odd Europeans which comprise the white population of Australia, a large percentage of this number is to be found in cities and as a result, her vast empty spaces are left almost untouched and undeveloped, Climatic and other conditions are such that although there is a vast army of unemployed workers in England coupled with attractive arrangements and tempting facilities offered by the Australian Government, very few of the workless people are eager enough to avail themselves of the opportunity. The stagnant state of the country is so apparent that thoughtful Australians are beginning to view it with alarm and great concern.

The present snail-like progress and inertia in Australia can only be remedied by amending the existing immigration laws and throw wide open the doors to Chinese and other Asians. Short of this policy no amount of strenuous efforts on the part of politicians and economic experts to produce a modern utopia in the land of the kangaroo will ever be rewarded with any measure of success. Only Asians, particularly Chinese, accustomed to hard work and a low standard of living can withstand, without impairing efficiency, the privations of, and achieve successfully, pioneering work under conditions which very faw Europeans can survive. It is in no uncertain language when we make the above statement. The rapid and wonderful prosperity of Malaya with its innumerable tin mines and vast rubber plantations is an eloquent testimony to Chinese industry and enterprise assisted by wise British colonial administration and leadership. British colonial administrators did the wisest thing when they permitted Chinese freely to enter Malaya and employed them to develop the country.—a policy which, as we now know, pays.

The existing Australian dog-in-the-manager policy is uneconomic, unwise, and even suicidal. Will Australia possess the farsightedness and wisdom to remove, at the earliest opportunity, the huge color barrier which impedes her progress? Time will decide.

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## Protest to be Made in London

A *Kuo Min* dispatch from Nanking, September 22, stated that the Ministry of Foreign Affairs had received a cablegram from Mr. Fa-tsiang, Chinese Consul-General at Melbourne, Australia, reporting that since no satisfactory reply has been received from the Australian Government concerning the discriminatory treatment against Chinese citizens, the Consulate had telegraphed to Dr. Alfred Sze, Chinese Minister in London, to take the matter up with the Dominion Secretary of the British Government.

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## Australians Offer Their Services to the Chinese Army

A recent *Reuter* dispatch from Sydney stated that three hundred Australian ex-Service men had offered to join the Nationalist forces in China, according to the Chinese Consul-General in Australia to whom the offer was made by representatives of the ex-soldiers. The men explained that times were bad in Australia and that they sympathised with the Chinese Nationalists. The Chinese Consul-General, however, politely declined the offer.

The *Reuter* message concludes with the naive statement that the "Returned Soldiers League states that it is ignorant of the matter."

## Import of Raw Cotton into Tientsin from the Interior, 1921-1929

*(Nankai Statistical Bullitin, Sept. 15)*

Recently, the Cotton Testing Department of the Bureau of Inspection and Testing for Commercial Commodities in Tientsin has published a proposal on "The Testing of Cotton in Tientsin", in which is included a table showing the quantity of cotton imported into Tientsin through the Native Customs during the last nine years. The table, which is now adapted and re-produced herewith gives the gross import, the re-export and the net import of raw cotton, produced around the region of Tientsin, in terms of piculs. An examination of this table shows the tendency towards an increase in the quantity of imports for the first eight years, namely, from 1921 to 1928. Thus in the columns of gross and net imports, the 1928 figures (which are 1,279,082 and 1,221,520 respectively) are almost twice those of 1921 (which are 635,282 and 629,128 respectively). In 1929, however, the figures are decreased abruptly: the gross and net imports (639,905 and 633,025 piculs), being approximately one half of those for the preceding year. This decrease may be attributed chiefly to the recurrence of civil war between the North and the South, which not only checks the planting of cotton, but also closes down the channels for its outlet.

**Import of raw cotton into Tientsin through Native Customs. 1921—1929 (in piculs)**

| 年份 Year | 項目 Item 入口總數 Gross Import | 復出口數 Re-export | 入口淨數 Net Import |
|---|---|---|---|
| 民國十年 1921 | 635,282 | 6,154 | 629,128 |
| 十一年 1922 | 953,679 | 9,513 | 944,166 |
| 十二年 1923 | 984,357 | 24,561 | 959,796 |
| 十三年 1924 | 573,372 | 19,046 | 554,326 |
| 十四年 1925 | 1,057,370 | 15,743 | 1,041,627 |
| 十五年 1926 | 945,147 | 28,735 | 916,412 |
| 十六年 1927 | 1,245,157 | 32,149 | 1,213,088 |
| 十七年 1928 | 1,279,082 | 57,562 | 1,221,520 |
| 十八年 1929 | 639,905 | 6,880 | 633,025 |
| 總數 Total | 8,313,381 | 200,343 | 8,113,038 |
| 平均數 Average | 923,709 | 22,260 | 901,449 |

# China's Civil War and British Trade

BY DR. C. KUANGSON YOUNG

*(Review of Reviews, London, August 15)*

IT HAS been said that if every Chinese wore his shirt two inches longer there would be no unemployment in Lancashire. The statement may lack accuracy; it amply and admirably demonstrates the relationship between peace in China and prosperity in Great Britain. China is primarily an importing country; and British trade in China has for many years been predominant in China's foreign trade. Peace in China means the increase in British exports to the Far East and a decrease in unemployment figures.

The so-called Northern Coalition led by Yen Hsi-shan has blasted the last ray of hope of a united and peaceful China. Once again civil war on a large scale has broken out. There is an underlying cause—a fundamental cause—that has stirred China into turmoil before and now. What is it? Can it be removed with external assistance? Does unity exist among the Chinese *people*? Has the National Government under the guidance of the Kuomintang redeemed certain of its promises to the people?

China, since her revolution in 1911, has witnessed continually within her borders clashes between centripetal and centrifugal forces—struggles between centralization and decentralization—conflicts between unionism and federalism. Except the first few years of order and authority directly maintained from the Capital, she did not emerge from the chaos into which military regionalism had led her until the "Nationalist" Government in June, 1928, unified the country within the Great Wall. A few months later the Three Easternn Provinces joined her.

The period of military regionalism, extending back roughly ten years from the time of the Nationalist reunification of China, presented one of the anomalies in the history of nations. So far as international relations were concerned, there was a central government for the whole of China. In domestic affairs, it was a government more in name than in fact, asserting itself on occasion, relapsing into inactivity during periods of weakness. This state of affairs was mainly due to the unwillingness of the regional leaders, as a rule military, to submit themselves and the territories they controlled to the orders of the central government. Just before the advance of the Nationalists from the South into the Yangtse valley, China had become a group of autonomous units—self-contained parts of a vast confederation with the central organ controlling only international affairs, the Maritime Customs Administration and the Post Office. The redeeming feature of this seemingly hopeless division was that the Chinese people as a whole possessed only one national consciousness—the consciousness of being Chinese. This consciousness of unity is due to the existence, for several thousand years, of a common history, a common culture, a common civilization, and above all, a common language that is used and understood throughout the length and breadth of China. Differences of dialect there are; but the difference exists only in a coastal strip of five provinces from Kiangsu to Kuangsi. The "Pai-Hua," the national dialect is understood, with the above exception, in every part of the country. Even in these coastal provinces many parts use the "Pai-Hua," and practically all schools are including it in the curriculum. The Literary Revolution and the Mass Education Movement are, inconspicuously but certainly, knitting an even stronger tie of unity among the Chinese people. Therefore, the regionalism so predominant in those years, and still threatening to divide China, was a regionalism of the regional leaders, not of the people.

### The Reason for Military Activities

Among other aims, was the salvage of the Chinese people from their imposed regionalism that the Nationalists set out to achieve in 1927. It is small wonder that the National Government, succeeding to the Nationalist Government and under the guidance and control of the Nationalist Party (Kuomintang), should shape its policies in that direction. The Chinese people, in welcoming the Nationalists, were promised a liberated and unified China. The executive organ of the Nationalists—the National Government—in order to fulfil their promises as well as to respond to the desire of the people, must needs overcome domestic opposition to union and centralization. Viewed in this light, the military activities of the National Government during the last year and at the present moment can be better understood.


## NOTICE

ANNOUNCEMENT is hereby made of the sale of the entire property, including the building and all furniture and fixtures therein contained, of the Dah Sing Garage (大新汽車公司), at 15 Gordon Road, adjacent to Avenue Road, by Mr. Kao Tung-lun (高同倫), Manager of Dah Sing Garage, to Mr. Kung Fan-kuei (孔繁魁), Manager of the Dah Hwa Garage Co., Ltd., (大華汽車公司), of 135 Seymour Road. Mr. Kao Tung-lun has agreed to relinquish all rights to the entire property hereabove mentioned for value received and to transfer the rights to same to Mr. Kung Fan-kuei.

NOTICE is therefore herewith served that all creditors of the Dah Sing Garage should hereafter send in their tenders directly to Mr. Kung Fan-kuei of Dah Hwa Garage Co., Ltd., and that all Debtors of Dah Sing Garage should make their payments directly to Mr. Kung Fan-kuei of Dah Hwa Garage Co., Ltd., excepting for such sums, bills, and documents dealing with Mr. Kao Tung-lun personally.

Contract of this Sale and Purchase has been duly registered at this office and certified by me. Deeds have also been filed with the District Court of Shanghai accordingly.

TUNG YU.
Barrister-at-Law
9 Foochow Road, Tel. No. 14368

DAH SING GARAGE
15 Gordon Road
Tel. No. 30626-30627

DAH HWA GARAGE Co., Ltd.
135 Seymour Road
Tel. No. 30711-30734



## In The American Consular Court

### FOR THE DISTRICT OF SHANGHAI, CHINA.

In re. Last Will & Testament of HORACE GULICK, Deceased

Cause No.
Special Proceedings
No. 111

NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of HORACE GULICK, deceased, to present the same with vouchers to the undersigned on of before March 27, 1931, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Shanghai, China.
September 24, 1930.

C. M. Wentworth
No. 2 Kiuking Road,
Shanghai.

Before the fall of "Peking," the revolution was in its military stage; it was a task of unification. After the unification, it was a task of centralization under the National Government. The Wuhan Expedition, the Northwest Campaign, both of last year and the present Civil War in the North, are directly attributable to the centralization program of the Government.

The unification of China by the Nationalists in 1928 was achieved through their tacit recognition of neo-regionalism; for did there not exist the Kuangsi Faction paramount in the territory from Hankow to Kuangsi, the Northwest under the leadership of Feng Yu-hsiang, the North controlled by "Governor" Yen Ysi-shan, and the Three Eastern Provinces of Chang Hsueh-liang? Neo-regionalism was tacitly recognized in order not to postpone the date of unification which constituted so important a factor in China's foreign relations. It was tacitly recognized, for it was hoped that centralization might follow through co-operative and peaceful effort. But this hope was finally blasted by the formation of the Northern Coalition, composed of Yen Hsi-shan, Feng Yu-hsiang, and the "Leftists" of the Kuomintang. The Government military forces have been at grips with the rebels during the last two months on a front stretching from Shantung through northern Kiangsu to Honan. Upon the military success of the Government depends the unification of China under a centralized authority.

Disorders and disappointmants there were in the two and a half years the Nationalists have been in power; but it would be entirely erroneous to assume that there were *only* disorders and disappointments.

The National Government seriously attempted to solve the fundamental problem of China—her return to normality through disbandment of armed forces, True it is that, hitherto, the Government's program has been blocked by military resistance. But the Government can be absolved of any charge of shrinking from responsibility, of indifference to a grave national issue, or of inaction on a vital national problem.

In the face of almost insurmountable difficulties, financial and otherwise, Nanking is able to show a number of cornerstones laid for reconstruction in various spheres. Above all, it was able to keep the same government, with comparatively minor changes in the "Cabinet" personnel, for over two years and a half, which is a record for contemporary Chinese history and is longer in life than the American Hoover Administration, the British Labor Government, or the French Tardieu Cabinet. This Government was able to restore through-traffic on all the main lines of the Chinese Government Railway System, after a year of untiring effort by Sun Fo, chief of the newly-created Ministry. Several millions of dollars were spent in re-equipping the Tientsin-Pukow and Shanghai-Nanking lines; the latter was able to pay for the new equipment out of its own earnings.

The efforts of T. V. Soong, the Finance Minister, have begun to restore credit both at home and abroad. First there has been no default upon a cent of either the principal or interest of the Government domestic bonds issued since 1927, to the approximate total of $300,000,000 silver. Secondly, the Government was able to manage the payment, during last year, of the Salt loans and of the arrears on the Anglo-French, the Hukuang, and the Crisp Loans.

The Government has launched campaigns for industrial and trade revival; it has operated two Hankow-Nanking-Shanghai airlines and installed a net of 52 radio stations, linked with the Radio Corporation of America for international transmission.

**Motor Roads Built Despite Warfare**

In 1921, there were only one hundred miles of motor roads in all China; in 1929 the total mileage had increased to 21,000, in spite of internecine strife. If the increase during ten years of almost incessant unrest is so astonishing, it would not be unreasonable to expect a corresponding increase in the next ten years.

These are but few of the *living* signs of a changing, adapting, modernizing civilization. It has many a long stride to make before it can come, actually and totally, out of its medievalism; but it *is* making healthy strides.

The civil wars will end when their cause disappears; and the cause—now gradually diminished by the reviving consciousness of the people at large of their national unity in race, history, culture, and language, and by their growing power to assert their will against militarism and regionalism—will eventually disappear.

The world has been misled into believing that Chinese Nationalists attribute *solely* to the "unequal treaties" the unhappy state of affairs in China. On the contrary, they fully realize that their wounds do not remain open solely on account of external infection. Dr. Wang Chung-hui, one of the Kuomintang leaders and President of the Judicial Yuan, is reported to have said on 10th June the following: "Our foreign policy aims at the abrogation of all the unequal treaties; but if we can first develop an efficient internal administration we may rest assured that the question of foreign relations will be easily solved."

Nevertheless, patience, optimism, and a forward policy on the part of the foreign powers in relations with China and the recognized Government, will have an invaluable effect on the outlook of the Chinese people and on the authority and prestige of the Government.

Important as it is for British industries to have a receptive market in the Far East that is also financially in a position to receive, no course of action should be avoided that would strengthen the Chinese Government and meet the wishes of the Chinese people, with a view to hastening the independent development by the Chinese of a peaceful China.

Neither Great Britain nor China can afford to see a repetition of events like the Shanghai Affair of 1925 and after. Both have embarked on a policy diametrically opposite to that which gave cause for regret. Five years ago British subjects were evacuating interior China. At the present moment Sir Frederick Whyte acts as the National Government's adviser at Nanking while Chinese naval cadets are undergoing training here in England. The changed psychology presents a changed attitude; the changed attitude, a changed atmosphere. This changed atmosphere must be nurtured, but not neglected. In maintaining the legation in the North, Great Britain is pursuing a course of, at best, *negative* neutrality. Such a course may have consequent disadvantages. Her inaction in matters entirely within her sphere of authority may, at least indirectly, prolong a state of affairs that is not conducive to the desirable revival and development of Sino-British trade.

## Chinese Furnishings for Home in Louisville

The Louisville, Kentucky, *Herald-Post* on Sunday, August 24 devoted a full page of its pictorial section together with two columns of text in the news section, describing the home of Mrs. Margaret Proctor Smith, a former resident of Shanghai and Hankow. The feature of the article and accompanying illustrations, was Mrs. Smith's collection of Chinese objects of art which she obtained while in the Far East. The article stated that photographs of Mrs. Smith's home, showing Chinese art objects, had also appeared in several American magazines of national circulation. The illustrations showed Chinese art rugs, paintings, porcelains, lacquer screens, tables, etc. Mrs. Smith was in China from 1927 to 1929 and since her return to America has been lecturing and writing on Chinese subjects. She is planning to return to China next year, probably accompanying a touring party composed of prominent residents of Kentucky.

## Repairs Being Pushed on Tientsin-Pukow Railway

The Ministry of Railways has large gangs of men at work on the Tientsin-Pukow repairing the damage done during the recent civil warfare. A skeleton service is at present being maintained by the Railway on the section between Tsinanfu and Pukow. Two trains are operated between said cities twice a week. The exact extent of the damages done to the Tsinan-Tientsin section of the line is not known in Shanghai, but it is believed that the repair work will be completed soon as there are no big bridges among those destroyed on that part of the railway. Normal operation of the service awaits return of the rolling stock which during General Shih Yu-san's rebellion was commandeered and distributed to the Lunghai Railway for transportation of troops.

## Reckless Japanese Fishing Boats Damage Cable Lines

A recent dispatch from Nanking states that as a result of representations made by the Eastern Extension and Great Northern Cable Companies, the Ministry of Communications has asked the Ministry of Foreign Affairs to address a Note to the Japanese authorities calling attention to the reckless navigation of Japanese fishing boats along the China coast, which have frequently damaged the Woosung-Chefoo and Shanghai-Chefoo cable lines, belonging to the two cable companies.

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# A Chinese Reader at Large in Yankeeland

BY ART YUN

IF one didn't read the newspapers China would be a very pleasant place.—William F. McDermott in Cleveland *Plain Dealer*.

### Opium Cargoes

What a pity that the first trade struggle should have centered around opium. Not that the white man introduced it into the country.—Alice Tisdale Hobart in "Pidgin Cargo."

With all the talk about opium, it ought to be generally know that opium was not indigenous to China but was introduced to the country from abroad. The *Encyclopedia Brittanica* is authority for the statement that opium was introduced to China in the thirteenth century. "Pidgin Cargo" was widely hailed by reviewers in America, and Mrs. Hobart, lauded as a new voice of China, has been writing "sensational" features for the Sunday *Springfield Union*.

### Credo of the Foreign Correspondent in China

With shuddering fear of the communist domination of the Yangtze valley and the five war fronts, China today is in THE WORST SITUATION SINCE THE OVERTHROW OF THE MANCHU DYNASTY.—Hallett Abend in St. Louis *Globe-Democrat*.

Reporting in China is done in superlatives. Every passing event is hailed as the worst in history. As that is impossible, the reader's faith in the accuracy of Chinese news is constantly being shaken, and he tends to label them all, as the *New York World* says, "mah-jonng tales." This condition is brought about by the peculiar credo of the foreign correspondent working in China. The credo is:

That every civil war in China is the worst since the downfall of the Manchu dynasty.

That stories which do not concern famine, war, and banditry are not worth cabling.

That the communist scare angle must be worked in wherever possible so as to make the headlines.

That if a foreigner shoots a Chinese it is not news, but if a Chinese shoots a foreigner it is worth columns of front page space.

That the missionaries are headlines only when they are kidnapped, or their mission burned, seized or looted.

That Japanese news dispatches are accurate and reliable, and, therefore, worth cabling.

That it is safe to say foreign lives are endangered in every looting of a town.

### Chinese in the United States

The Chinese, for example, are in many ways a wonderful people. They are hard-working, temperate, likeable, intelligent, and much more besides. But—the Chinese are different! They are so different from us in blood. culture, ideals and general outlook on life that they cannot be assimilated, and we know that if they come to us in vast numbers they would either destroy us or hopelessly mongrelize us. Therefore, no matter how intelligent, or industrious, or everything else they may be, we do not want them and we will not have them.—Lothrop Stoddard in "Reforging America."

Stoddard is a Harvard Ph. D.. and that helps him get away with lots of his inaccuracies. This particular idea has long been foisted on an unsuspecting American public. It's a fallacy so long unchallenged that it passes for gospel truth.

But move about Chinatown, and see how assimilable Chinese are. Indeed, they are being over-assimilated, absorbing both America's virtues as well as her vices. They are as public-minded as any other racial group in America. The Chinese Float at Portland's annual Rose Festival has often won first prizes. Chinese have subscribed for Liberty Loans; they have given freely to Community Funds; they have sent their sons to the war. There's even a ticker tape in Chinatown.

A Chinese lad won the American Legion essay contest. A Chinese girl has won the California spelling-bee contest. Paul Fung draws the daily American flapper comic, "Gus and Gussie," and "Dumb Dora" which are widely syndicated by Hearst. The Chinese manager of Frisco's Chinatown is a Shriner. Miss Soo Young, Mei Lan-fang's prologist in America, has served on Broadway: with Katherine Cornell in "The Letter;" with Arthur Byron in "South of Siam;" with Lester Lornigan in "The House Unguarded." Anna Chang, Chinatown girl who made good in vaudeville, is anything but Chinese except in skin.

Will McDermott, dramatic critic, writes on the subject in the Cleveland *Plain Dealer*, following attendance at a party given by Chinese stage folks. He says in part:

The differences were surprisingly slight. They consisted almost exclusively of differences in clothes and complexions. Anyone who had a lingering doubt of the efficacy of the American melting pot to mold strange metal into the American image would have been won over to the affirmative by this social gathering of Chinese actors. Their mode of amusement, their talk, their expression of taste, item by item were the same as that of American mimes under similar occasions. They wore Chinese garb self-consciously as a concession to the prejudices of an Occidental audience. Tailored coats and Parisian hats, by the way of Chicago or Cleveland, were raiment in which they felt at home. The melting pot has done a superb job in amalgamating them into an exact image of their American brothers and sisters.

### Originality at Williamstown

A much bruited fallacy is the value of learned men as molders of public opinion. The fallacy is all the more glaring in the case of the United States. Who runs America? Do you think experts, scholars, and professors have a "say?"

James W. Girard's recent list of 59 American rulers did not include a single name from the intellectual hierarchy. To him, America is run by bankers, industrialists, and newspaper publishers. That may be a good thing for China.

Take, for instance, that Williamstown Institute of Politics where professors and their friends hold summer pow-wow. George H. Blakeslee of Clark University, who built a name on Far Eastern problems, came out for military intervention in China by the rest of the world. This Ph. D. questioned whether "any state, in our small independent world, had the right to enjoy the luxury of decade-long political disorganization." On the other hand, a banker, Jerome D. Greene, rejected any such idea that China's problems might be solved by intervention, economic or otherwise.

Dr. Blakeslee's idea appears original among American professors. For China it's fortunate that professors do not run America, even when they are original.

### An Editor's Thanks to Nippon

Unlike England, America is famous for its magazine editors who do not write. Ellery Sedgwick of the *Atlantic Monthly* is one of the most noted of them. That does not mean that Sedgwick can't write. Once every four years when a presidential campaign is being waged, he fires a literary blast on behalf of the minority candidate. His picture of Al Smith two years ago was so admirable that papers all over the land copied extracts and Democratic orators thundered its beauties from platforms. Except for this quadrennial outburst, Sedgwick maintains a sphinx-like silence year in and year out.

Japan, however. has succeeded in making him break this tradition. With other editors, he accepted an invitation to tour Japan. Now back in America, he is the first to repay his island-host in words of jade.

American monthly magazines use only about half a dozen articles on the Far East a year; and when the majority of these tell of Japan over the signature of their editors, it's a real achievement. Sedgwick's first article, called "Japanese Mystery," is a lyric statement for modern Japan—its beauty, its laughter, its joy. Lifted outside the realm of publicity by sheer writing, it is, nevertheless. publicity, because inspired and paid for by an interested party.

This boosting affects China indirectly. There's nice words on one side and virtual silence on the other. It strengthens the current notion that Japan is the tower of Oriental civilization, while the truth is that all that is finest in Japan—in art and literature—came originally from China.

### A Formula for Writers

It's not an easy matter to put over a Chinese trade boost in an American business magazine. For one reason, the editors are skeptical. For another, Uncle Sam, through the Department of Commerce, practically monopolizes this kind of export boosting.

But once in a while a general magazine will use such an article if the proper elements are well mixed. Raymond

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Fuller has done that in the *North American Review* in a piece called, "Seraglios in Asia." Here's the trick:

First, Fuller presents a bogey. The Soviet bogey has always worked, so why not in the trade field. If American business don't look out the Soviets will capture the China market. They can undersell the world; they have industrial brains; they have natural resources; their worker morale is high. So look out, America!

Second, Fuller presents color. Look at China: starving millions; no railroads; primitive methods; incredible backwardness. Though missionaries have overworked the picture, it's always new; it gets attention. Indeed, it is the gravy of every article on China in an American magazine.

Third, Fuller, like an expert showman, winds up with a brilliant verbal finish. His horn emits such sounds as "Two railroads east and west through China will sell more products than any elevated motor drive from New York to Boston," "A power plant at Nanking would yield future dividends to rival Muscle Shoals."

There is nothing new here that the Department of Commerce has not said time and time again. The article shows that the old formula still clicks with American editors: a snappy title, Soviet bogey, rag-ridden millions, and a brilliant verbal finish.

### More Chinese Fantastics

Thomas Steep, the N. Y. *Herald-Tribune* chap who wrote "Chinese Fantastics" a few years ago, returns to his old love of capturing facets of Chinese life. The August issue of *Japan* prints his "Shanghai Silhouettes."

I know of nothing as charming to read as these innocuous bits of observation. There's a book—the Nightside of Japan by a Japanese—which is found in the majority of public libraries in America. It's done in a style resembling broken porcelain. I wonder why no Chinese has ever written in like fashion of China. A book of that kind is not only timeless, but has wide appeal.

There's nothing that Steep sees which you don't. For example, here's a bit of his observation:

> Opposite the Palace Hotel near the Bund, a Chinese sign painter with palette in hand is standing on a bamboo ladder. The ladder leans against a signboard upon which the Chinese is painting for an American automobile concern a scene along the Hudson River. The painter has never been away from the Orient and probably has never ridden in an automobile, yet he paints realistically a landscape in a country he has never seen and accurately the characters of a language he does not understand.

Satire, wit, irony, sentiment are in all of Steep's snatches. Chinese students of English should try this sort of writing. The woods are full of Chinese writing on politics, economics, government—stuff that's born today and forgotten tomorrow. The other kind may be harder, but it's more durable. One of the world's best journalists, the late C. E. Montague, is known abroad not for his brilliant work on the *Manchester Guardian*, but for his writings on the lighter aspects of life.

### This Yankeetown of Ours

Calvin Coolidge, who once bossed the White House and lately turned columnist, is trying humor in his daily pieces..... Naomi Winter, night club dancer, rates as the first Oriental girl without a country. Of Japanese extraction, her birth in Montreal made her a Canadian citizen; she lost her Canadian citizenship by marrying an American and then lost her American citizensihp by divorcing him. She never had any citizenship in Japan because she wasn't born there.....H. L. Mencken, the 50-year-old mocker of matrimony, went and got married and stood lots of razzing by wits, nearwits and nitwits.....Heywood Broun accepted the Socialist nomination without consulting his editor and still holds his job on the N. Y. *Telegram*.....Willie Fung, Chinese actor, graduate of the Chinese stage in San Francisco, plays the part of a South Sea store-keeper in the movie, Sea-God.....Cigarettes are becoming so cheap that a lot of stylish girls may stop smoking them.....So popular has been the demand for lurid, blood-thirsty tales of the Orient, despite goodwill boosters that a new all-fiction pulp paper magazine has been started under the name, FAR EAST ADVENTURES .....Yun Gee, new Chinese artist in New York, plans to start first Chinese Art School there .....K. K. Kawakami writing about Japan getting quota rights, literally says, "I am from Missouri. Show me!"

Chicago, Ill, September, 15, 1930.

# Chinese Officers to be Released by the Soviets

BY E. U. BARUNG

Following protracted negotiations the Chinese authorities in Harbin received through the Soviet consulate information from the Soviet provincial authorities in Habarovsk that 15 Chinese officers, who had been kept in custody in the latter town since the conflict last year, are to be released shortly. The Soviets asked the Chinese authorities as to the place on the Chinese border to which they wish the officers to be conveyed.

### Wholesale Dismissals on the C. E. R.

The Chinese Eastern railway keeps practising strict economy. In spite of the approach of the export season, which usually begins early in October and requires a greater number of employees to cope with the traffic, the administration of the railway has made a further reduction (about 300 were dismissed during August last) in the number of the workers,—dismissing 90 on September 20. Further dismissals are expected, it is reported.

### One Million Are Victims of Inundation

From sporadic reports in the Press it may be gathered that the population of the South-western section of Mukden (Fengtien) province has suffered bitterly from the inundation that took place there about a month ago. An area of about 20,000 square kilometers was covered with water for a score of days; and according to reports from Chinese sources 10,000 people lost their lives in the flood, while more than 500,000 have become homeless destitutes, as their domestic animals, fowls, utensils, implements, supplies of food-stuffs, clothing, dwellings, this season's crops, etc. were destroyed by the deluge. To render a prompt relief to the sufferers of the flood a committee has been organized in Harbin. It has obtained 90,000 suits of clothing and a large quantity of food-stuffs which it will send shortly to the flood-stricken districts. The contributions for the relief work, which are coming both from the Russian and Chinese population of Manchuria, already exceed 1,000,000 dollars. The Board of Directors of the C. E. R. donated 200,000 dollars. The Chief Civil Administrator of the Special Area donated 10,000 dollars and all the other prominent residents of Harbin, taking the example from him, have been donating liberally towards the relief fund.

### Innovations at Fushun

New machinery for extracting mineral oils are being installed at the Fushun colliery, in connection with which a drop of prices for mineral oil is anticipated on the local market.

Harbin, Sept. 19, 1930.

## Further Meetings of Sino-Japanese Cable Conference

Another meeting of the delegates to the Sino-Japanese Cable Conference was held in Nanking October 1. Informal negotiations have also been been held at Shanghai between Mr. Shigemitsu, acting Japanese Minister to China, and Chuang Chih-huang, Director of the Telegraph and Telephone Administration. The discussions have to do with six cable and telegraph lines connecting Chinese and Japanese territory, as follows.

*Foochow-Formosa Cable Line.*—This line was originally owned by China and was surrendered to the Japanese when the island of Formosa was absorbed by the latter in 1895, Japan paying $100,000. Since then the line has been controlled by the Eastern Extension Australasia & China Telegraph Company.

*Shanghai-Nagasaki Cable Line:*—The establishment of this line was financed entirely by the Japanese and therefore has been under their control exclusively. The free transmission and reception of messages over this route by the Japanese have been affecting China's national rights.

*Tsingtao-Sasebo Line*:—Following her declaration of war against Germany in 1914, Japan seized the German submarine cables between Tsingtao and Chefoo and between Tsingtao and Shanghai; and subsequently utilized portions of these cables for the laying of the line between Tsingtao and Sasebo, the Japanese naval station. In the Sino-Japanese Treaty for the settlement of outstanding questions relative to Shantung signed on Feb. 4, 1922, the Japanese Government agreed that "all the rights, title and privileges concerning former German submarine cables between Tsingtao and Chefoo and between Tsingtao and Shanghai are vested in China, with the exception of those portions of the said two cables which have been utilized by the Government of Japan for the laying of a cable between Tsingtao and Sasebo." (Article XXVI). By the Agreeement on Detailed Arrangements for the Settlement of Outstanding Questions relative to Shantung, subsequently signed on Dec. 1, 1922, the Japanese Government agreed to transfer to the Chinese Government without compensation one-half of tho Tsingtao-Sasebo Cable. The Tsingtao end of the said Cable shall be operated by the Government of China and the Sasebo end of the same, by the Government of Japan. (Art. X.). The Chinese Government however made a declaration to the offect that upon the termination of the then existing telegraph monopoly enjoyed by foreign companies, "no Government, Company and individual of whatever nationality will be permitted the right of exclusive monopoly thereof." It was further agreed that before the expiration of such telegraph and cable monopolies, the operation of the Tsingtao end of the line was to be entrusted to the Japanese Government. Now that the contracts under which foreign companies have held telegraph or cable monopolies are expiring at the end of the current year and since also the National Government has already officially declared that it will not grant such monopolistic privileges to any foreign Government, Company or individual: the control over the Tsingtao end of the said line should and ought to be restored to China on Dec. 31, 1930.

*Chefoo-Dairen Cable Line.*—This line is a joint enterprise of China and Japan, but China's investment is a little less than that of Japan and some measure is designed to provide for an adjustment.

*Dairen-Sasebo Cable Line:*—This line was arbitrarily established by the Japanese without getting the consent of China.

*Landline along Southern Manchuria Railway, to Korea*:—During the Russo-Japanese War of 1905 the Japanese authorities installed, in spite of the protests of the Chinese authorities, land telegraph lines in Manchuria outside the South Manchurian Railway region. By the Sino-Japanese Telegraph Agreement of 1908, China bought over these lines at the price of $50,000. In the meantime, China agreed, however, to lease to Japan, for a period of fifteen years, telegraph offices in Antung, Newchwang, Liaoyang, Shenyang, Tiehling and Changchun as well as the telegraph lines connecting these offices with the South Manchurian Railway region. The period expired in 1923, seven years ago. Negotiations between the Ministry of Communications of the former Peking Government and the Japanese Authorities regarding the matter had, however, all proved fruitless.

The Chinese newspapers point out that negotiations on the last two lines are somewhat complicated as there is a diplomatic problem which should be settled prior to the possibility of withdrawing these lines, that is, their relations with the Dairen Concession. Should the Japanese, taking the above as a pretext, refuse to give up these lines, the Chinese say that fundamental arrangements will have to be negotiated for diplomatically.

## Sharp Drop in Wood-Oil Exports to U. S. A.

Figures recently published by both American and Chinese commercial agencies show that there has been a decided drop in the export of wood-oil from China to the United States during the present year as compared with last. Part of the decline has been due to the depression in American industrial circles, but the principal reason has been the prevalence of banditry and civil war in the producing areas in the Upper Yangtsze region. Rapid progress is being made in the meanwhile in developing sources of wood-oil supply in the southern states of the United States, particularly Florida.

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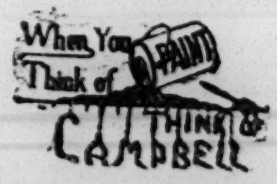


**H. B. Campbell**

46 Szechuen Road,

Shanghai.

# In the Fields of Finance and Reconstruction

## New Library for Nanking

The various Government Yuans, Ministries and Commissions at Nanking have appropriated the sum of $40,000 covering the construction of a new library for official use. The building will be located near the Examination Yuan.

## Eighty New Postal Banks

The Ministry of Communications on Sept. 25 announced that 80 new branch postal savings banks had been established during July and August in the provinces of Hopei, Honan, Hupeh, Kirin, Heilungkiang, Liaoning, Anhwei and the Municipality of Shanghai.

## Relief Appropriations

The State Council on Sept. 24 recommended to the Ministry of Finance that the sum of $100,000 be sent to Borneo for the purpose of assisting Chinese merchants who lost all their properties as a result of a disastrous fire. The money will be distributed by the Chinese Consul.

## Relief for Northern Honan

The Ministry of the Interior has petitioned the State Council to appropriate the sum of $100,000 for the relief of war refugees in northern Honan province. It was stated that the residents of towns along the Lung-Hai railway had suffered severe losses on account of the war situation.

## Settlement of Accounts

The Chamber of Commerce of Greater Shanghai has sent a recommendation to all commercial organizations in the Shanghai district suggesting that in view of the adoption of the solar calendar new dates be designated as "settlement" days, the recommendation being May 31, September 30 and December 31.

## Welcome for Canadian Mission

The Ministry of Foreign Affairs on Sept. 26 announced that plans have been made for extending a welcome to the Canadian Trade Delegation which is scheduled to arrive in China on October 27. The delegation will consist of three groups one of which will proceed to Nanking, another to Canton, while a third will remain in Japan.

## Another Motor Road for North China

Work was started on September 26 on a new 200-mile motor road which will connect Peiping and Shanhaikwan, the purpose being to link the former capital at Peiping, now the headquarters of the Hopei provincial government, with the border of Liaoning province on the north. It was claimed that the new road would be completed within three months.

## Changsha To Get $500,000

The Nation Famine Relief Committee on Oct. 1 petitioned the Government to appropriate the sum of $500,000 for the relief of Changsha due to the recent communist occupation of that city. The Government was also asked to approprate funds for purchasing seeds for distribution in the famine sections of the Northwestern provinces. The sum of $68,000 was allotted for relief in other places.

## New N. K. K. Building at Hankow

The Nippon Kisen Kaisha, Japanese steamship company, operating steamers on the Yangtsze river, has moved into its new five-story building, located on the Bund at Hankow. The building is of reinforced concrete construction, faced with granite and cost approximately $500,000. An interesting feature of the structure is a roof garden with a dome housing the Japanese Shrine of Konpira or Marine Deity.

## Endowment for Economic Society

Th Executive Yuan on Oct. 1 instructed the Ministry of Finance to appropriate the sum of $20,000 toward an endowment fund for the China Economic Society, the purpose being to promote the study of economic science. The China Economic Society, which recently held its annual meeting in Wusih (Kiangsu), was organized several years ago for the purpose of making a study of economic problems affecting China.

## Frontier Colonization

Gen. Lung Yun, chairman of the Yunnan provincial government, has recommended to the Central Government, the creation of a Directorate-General of Frontier Colonization, the purpose of the organization being to have supervision of all affairs pertaining to national land frontiers. The Legislative Yuan was instructed to draft regulations for the organization of such a Bureau.

## More Soviet Business in Harbin

A report from Harbin which appeared in *The Shanghai Times* on Sept. 21 stated that the Soviet official State Exporting Organization had opened offices in Harbin for the purpose of pushing Soviet-manufactured goods in the North Manchurian district. The report stated that new Soviet trade organizations were constantly opening new offices in Harbin and that many lines of Soviet goods were already underselling British and American products.

## Publication of Kemmerer Reports

T. V. Soong, Minister of Finance, stated on Oct. 1 that the report on Revenue Policy compiled by the Kemmerer Commission of Financial Experts, had been issued and that the other reports would be made public shortly. The original report dealing with Monetary Reform was made public last March, but owing to the disturbed political and military situation which has existed for several months, the issuance of the other reports had been delayed.

## Desire Loan for New Factories

The Ministry of Industry, Commerce and Labor on Sept. 27 sent a communication to the Ministry of Finance requesting that steps be taken to issue a loan for $20,000-000 for the erection of five factories to be operated under government auspices for the development of domestic industry. Plans for the five factories, including textile and woolen mills, salt and sugar refineries and a chemical works already have been approved by the Central Political Council.

## Would Increase Duty on Cotton Yarn

The Ministry of Industry, Commerce and Labor, has called a meeting of representatives of Chinese cotton manufacturing interests for the purpose of considering means of relieving the present depression. According to the report it is intended to petition the Ministries of Finance and Foreign Affairs to raise the duty on cotton yarn and in addition a petition has been sent to the Bank of China suggesting that loans be granted to Chinese cotton mills.

## Licenses for Fire Arms

The Ministry of War on Sept. 27 issued an order to all provincial and municipal governments requiring that foreigners resident in China must obtain licenses for the possession of fire-arms intended either for personal protection or hunting purposes. Foreigners are requested to obtain statements from their consuls certifying to the purpose for which guns are kept. Licenses will be provided by the Chinese authorites to foreigners on the same basis of Chinese citizens.

## Zoong Sing Cotton Mills Ltd. to Pay Eight Percent

The profit and loss account of the report of the Zoong Sing Cotton Mills Ltd. for the past year shows a credit balance of Tls. 451,642.08, including the balance of Tls. 10,304.94 brought forward, The Directors recommend that a dividend of eight per cent be paid and that Tls. 50,-000 be passed to general reserve, After making various provisions, including a bouns of Tls. 13,500 to the staff, there remains a balance of Tls. 36,890,56 to be carried forward.

## Progress of Commercial Aviation in Kwangtung Province

New regulations governing the operation of three commercial air mail and passenger services connecting Canton with Swatow, Wuchow and Hainan island have been formulated by the Canton Aviation Department attached to the Headquarters of the 8th Route Army. The passenger fare will be 25 cents per mile, and the freight rate 60 cents per kilogram. Trial flights will be made after completion of the surveys of the proposed lines now in progress.

### Protest Dutch Immigrant Fees

The Chinese Overseas Association on Sept. 23 asked the Ministry of Foreign Affairs to lodge a protest with the Netherlands Government against recently announced fees which are to be charged Chinese immigrants to the Dutch East Indies. The new tax, according to reports received in Nanking, ranges from 50 to 150 guilders per head. It is claimed that the tax is unfair discrimination against the Chinese and in case the Dutch officials enforce the measure the Chinese Government threatens to assess a similar tax on Dutch residents of China.

### First Union Oil Tanker

The *Santa Maria*, first fuel-oil tanker of the Union Oil Company of California, to be dispatched to the Far East, is expected in Shanghai shortly, according to a report appearing in the *Shanghai Evening Post*. The tanker first called at Manila where it discharged 75,000 barrels of oil, the first of a contract for 2,000,000 barrels sold to the U.S. Navy. The Union Oil Company recently announced plans for the expenditure of G.$6,000,000 in the construction of storage facilities in China, Japan and the Philippine Islands, the chief installation being at Shanghai.

### Labor Unions Wish to Organize

Representatives of various so-called employees' unions in Shanghai journeyed to Nanking on September 27 and petitioned the government for permission to organize unions in accordance with the official policy of permitting freedom of association. According to a report issued from Nanking regarding the petition, it was stated while the Labor Union Law and Law Governing Commercial and Industrial Guilds had been promulgated, legal sanction for the formation of shop-employes and clerks had not been granted, the witholding of permission having been done in order to minimize friction between employes and shop proprietors.

### Delegates to Economic Conferenec

The National Economic Conference which is scheduled to meet in Nanking will include delegates appointed as follows:

(1) Directors of the Provincial Departments of Finance; (2) Special deputies of the Ministry of Finance for the various provinces; (3) Chairman of Chambers of Commerce throughout the country; (4) Leading bankers throughout the country; (5) Economic experts in the various provinces; and (6) Directors of various Tax Collection Bureaux.

Formal instructions and invitations to attend the Conference will be issued shortly.

### Work Proceeding on Hulutao

O. E. A. van Lodth de Yende and Robert Devos, representatives of the Netherlands Harbor Works Company, arrived in Shanghai recently for the purpose of purchasing machinery and other equipment for the harbor development project at Hulutao, located at the head of the Gulf of Liaoning on the coast of Fengtien province. In an interview which appeared in the *North China Daily News* the officials of the Netherlands company stated that considerable progress had already been made on the development project, which is being financed from the proceeds of the Peiping-Mukden railway. Some 2,500 laborers are already employed. It was claimed that after the break-water has been completed that accommodations will be provided for more than 30 ocean-going steamers. While in Shanghai the officials made arrangements for towing a large dredger from Hongkong to the Hulutao project for use in making excavations.

### Reopening of Tientsin-Pukow R. R.

A dispatch circulated by the *Kuo Wen* service on Sept. 27 stated that repairs had been completed on the bridge crossing the Yellow river to the north of Tsinan, capital of Shantung, and as a result through traffic between Shanghai and Tientsin-Peiping would be resumed within two weeks. Sun Fo, Minister of Railways, has sent a force along the railway for the purpose of making an inspection in order that traffic may be resumed as quickly as possible. A report on the same subject by the *Kuo Min* (official) news agency on Sept 28 stated that repairs had already been made to the telegraph and telephone lines between Tsinan and Tientsin. Gen. Han Fu-chu, head of the Shantung provincial government, has now assumed control of all of Shantung, according to the Government reports, it

*(Continued on page 190)*


# The CHINESE NATION

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*October 1, 1930*

SIMPSON VISITS MUKDEN

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A DIPLOMATIC MOVE

GOVERNMENT BONDS
*Y. Dung*

WHAT NEXT IN THE NORTH?
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# Men and Events

Dr. Flora Rosemberg, French attorney, has returned to Shanghai from a trip to Hongkong.

W. P. Willson, agent in China for Arkell and Douglas, departed this week on a business trip to Harbin.

One good feature about this Chinese war is that so far no one has written a war novel about it.—*Judge*.

James F. Price recently arrived in Shaughai to join the Trust Department of the Raven Trust Company.

Gen. Wan Foo-lin, is reported as having tendered his resignation as chairman of the Heilunkiang Provincial Government.

Mr. Okamoto, Japanese Consul General in Tientsin, returned to his post end of last week after five months, absence in Japan.

H. R. Bradford, representative in the Far East for the Frigidaire Corporation, is in Shanghai and is staying at the Cathay Hotel.

Mr. Yates McDaniel of the *Shanghai Times* has been appointed the editor of the Community Church columns in the Saturday newspapers.

The Rev. Dr. Evan Morgan, of Shanghai, celebrated his 70th birthday and also completed 46 years service as a missionary worker in China, October 1.

The picture of Prof. C. F. Remer which appeared in *The Review* on page 130, issue of September 27, was from an original by the Sanzetti Studio, Shanghai.

Miss Martha L. Root delivered a lecture on "Bahai: Scientific Proof of Life After Death" at the Royal Asiatic Society, Shanghai, Monday, September 29.

Liu Jui-heng, Minister of Health in the National Government, has been elected Vice President of the International Health Commission of the League of Nations.

Major-General Douglas MacArthur, recently appointed Chief of Staff of the U. S. Army, will take up his new duties in November on the retirement of the present chief, Major-General Charles P. Summerall.

The Shanghai *Evening Post* say Joseph E. Jacobs, formerly U. S. Consul in Shanghai was married upon his arrival in the United States recently, according to an intimation recently received in Shanghai.

Charles Dailey, correspondent for *The Chicago Tribune*, stationed in Peiping, accompanied by Mrs. Dailey, arrived in Shanghai this week on his way back to Peiping after several months in Calcutta and Bombay covering the Indian revolution.

The commencement exercises for the 7th term graduates of the Whampoa Military Academy were held at Canton September 27. General Chen Ming-shu, Chairman of the Kwantung Provincial Government, delivered the principal address.

D. Ritchie, accountant at the National City Bank of New York, in Shanghai was taken to hospital September 30 for treatment of a wound which he sustained when a sharp razor, with which he was shaving, slipped and cut an artery in his left arm.

Mrs. M. T. Z. Tyau, the wife of Dr. Tyau, the director of the intelligence and publicity department of the Ministry of Foreign Affairs, underwent a successful operation at the Chinese Red Cross Hospital in Shanghai last week, and at last reports was recuperating rapidly.

Dr. Hsia Hsu-kong, Chinese Charge d'Affairs at Brussels, recently composed a drama, "The Broken Jade", in the Belgian (French) language. It has been recommended to the Belgian Royal Theatre. It is also planned to have it translated into English for production in London.

The monthly tiffin of the American University Club was held at the Old Carleton on Shanghai September 30. Rev. Charles E. Patton presided. The speaker was Dr. Lin Yutang of the National Institute of Research who spoke on "Han Fei's Philosophy as a cure for Modern China."

Miss Barbara Miller, a member of the staff of the *Shanghai Evening Post*, was married on Sept. 20 to Charles John Little, the ceremony being performed at the local British Consulate. Before coming to China, Miss Miller was a member of the staff of the *Japan Times* in Tokyo.

C. F. Loomis, acting general secretary of the Institute of Pacific Relations, who arrived in Shanghai to make plans for the next conference which is scheduled to be held in China next year, addressed the membership of the Pan-Pacific Association on Friday, October 3 at the Cathay Hotel.

Captain Robert Dollar will be the chief speaker of the evening at a banquet to be held at Community Church October 10, commemorating the 10th day of the 10th month of the 10th year in the history of the church. Moving pictures depicting church activities will be shown at the banquet.

Edgar Snow, formerly a member of the staff of *The China Weekly Review*, but in recent months correspondent for the *Consolidated Press*, departed from Shanghai for India on Sept. 25, traveling by way of Formosa, Yunnan, Indo-China and Siam. He expects to return to China next year.

The Chinese newspapers state that the Shanghai city magistrate had received an order from the civil administration department of the Kiangsu provincial government directing him to effect the confiscation of all estates belonging to Yen Hshi-shan. This follows similar action taken at Nanking.

A recent Hankow message states that the Provisional Headquarters of the Commander-in-Chief at Hankow has ordered rigid inspection of incoming and outgoing vessels, trains and aeroplanes so as to prevent the smuggling of opium. Foreign steamers plying along the Yangtze River are also to be searched.

J. J. James, more familiarly known as "Jimmy" and proprietor of the "Jimmy's" restaurants in Shanghai left October 1 on a Dollar liner, on a trip to Europe, after a tour of which he will proceed to Jackson, Michigan, U. S. A. to visit his parents. He was accompanied by Mrs. James and their four children.

Charles R. Crane, former Minister to China, is due in Peiping during the present week, he having arrived recently in Japan. Mr. Crane, according to a telegram from Dr. H. H. Kung, Minister of Industry, Commerce and Labor, will make a trip to Shansi to study the economic situation in that province.

Major and Mrs. William Darby of the Salvation Army arrived in Shanghai recently to take over the work of said organization here. The Major and his wife have seen 13 years service as Salvation Army officers in the British Isles, and ten years in North China. They are staying at the Men's Hostel, 12 Tsong Chow Road rear of the Burlington Hotel.

Fred. W. Sutterle, jr., one of the directors of the China Finance Company, Inc., announced recently that his organization would be represented at the annual convention of the National Association of Finance Companies, to be held in Chicago November 19 and 20. The convention will discuss principally the financing of installment purchases.

The census of the Japanese Empire is being held this week and included in the count is the very considerable Japanese colony in Shanghai, Information from the Japanese Consulate is to the effectthat the count in Shanghai has been a difficult matter owing to the fact that many Japanese are scattered throughout the area beyond the Settlement limits.

The five most expensive cities in the world, on the basis of a recent survey made by the U. S. State Department survey of living costs are Buenos Aires, Montevideo, Montreal, Singapore and Tokyo. Envoys living in these cities, unless they are chiefs of missions, will be given a larger allowance for quarters, heat, light and fuel, than their colleagues in other cities.

Commander Chen, Chief of the Fukien Aviation Bureau, accompanied by a Mr. Bertram. started from Foochow September 20 by applane on a flight to Singapore. His route includes Hongkong, Haiphong, Hanoi, Vinh, Hue, Phuyen, Saigon, Kamport, Chantaboon, Bangkok, Bangthean, Singora, Trengganu, Pekan and Singapore. The itinerary covers a distance of well over two thousand miles.

The teaching staff of the National Central University Nanking, has sent an ultimatum to the school authorities demanding full payment of all outstanding moneys before October 4. The ultimatum bears the signatures of all 55 members of the teaching staff, who threaten to go on strike if back pay is not forthcoming. They state that they have not been paid for the three months of June, July and August.

The University of Southern California has established two chairs in aviation education. The Western Air Express and the Richfield Oil Company were the donors. Its chair bears the name of Harris M. Hansbue president of the Western Air Express, and will be filled by Earl W. Hill. Instruction in commercial aviation, air transport management, commercial aviation problems and aviation insurance will be provided.

President Herman C. E. Liu, of Shanghai College, recently received a letter from President Nicholas Murray Butler, of Columbia University N. Y., in which he sends greetings to all the alumni of Columbia University in China and expresses pride to feel that the influence of Columbia Univesity is being exerted on the other side of the world. Sun Fo, President of the Columbia Alumni Club in China, announces that he intends to call a meeting of the Club in the near future.

The death occurred in Shanghai September 26. of Woo Ling-shu at the age of 52. The late Mr. Woo. was a native Soochow and was frequently referred to as "China's cotton king." He was one of the wealthiest Chinese in Shanghai, and was widely known and respected among both foreign and Chinese communities. He was a director of the Bank of China and also of the Ewo Cotton Mills, Ltd., in addition to being a director in more than a dozen other large industrial concerns.

The *London Daily Herald* of September 2 records that three Chinese children and their pet dog "Spot" perished in a fire which broke out in the heart of Liverpool's Chinatown early the previous day. The occupants of the houses were asleep when the dog, belonging to Robert Yen, began to bark loudly. Already the place was blazing furiously, being built largely of wood. Hun Yen, a laundryman, was at work when the fire was discovered, but his son Robert, aged 13, roused his mother, and they rushed downstairs to find everything burning fiercely. As soon as the dog was relased it ran upatairs, and its body was found after the fire beside those of the children.

Several hundred employees in the Commercial Press at Hongkong started a "go slow" strike on the morning of September 26 incidental to a demand for higher wages. Their claim was based on the fact that the workers in the same Company's works in Shanghai had recently received an increase. The management replied to the leader of the Hongkong workers that they had received seven increases during the past five years making an increase of sixty per cent. The management summoned police assistance so as to forestall any rioting. Most of the workers at Hongkong are Shanghai men.

## National Quarantine Service Makes Report on Cholera Situation

The second official report on the cholera and plague situation prepared by Dr. Wu Lien-tah, Director of the National Quarantine Service, Shanghai, shows that since August 28, 87 cholera cases had been recorded, of which 11 proved fatal. Six hospitals admit cholera cases vizo: Chinese Infectious Diseases; Hongkew; Summer Diseases; Emergency; Red Cross Summer Diseases; Shanghai Public; and Shanghai Benevolent Society. Most of these hospitals were closed at the end of September, and it is expected that the few cases that occur after that date will be mostly sent to the Municipal Isolation Hospital. The few cases reported recently were of a mild nature.

## Soviets Expel Americans Who Assaulted Negro

A recent *Trans-Ocean* dispatch from Moscow says that the two American workmen who were charged with having struck a Negro worker, have been sentenced to two years' imprisonment each. However, the Soviet Government "considering that hatred of colored people is part of the American capitalistic regime," commuted these sentences to expulsion from the Soviet Union for a period of ten years.


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## In the United States Court for China

| | |
|---|---|
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Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Albert Burt MacLean, deceased, to present the same with vouchers to the undersigned on or before March 13, 1931, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Shanghai, China. Alice Mae MacLean
September 9, 1930. Administratrix,
c/o H. D. Rodger, Esq.,
6 Kiukiang Road.

# Who's Who in China

Chia-Luen Lo, university president and professor; born in Kiangsi, 1896; was graduated from the Peking National University; did intensive research work in history and philosophy in Princeton, Columbia, London, Berlin, and Paris universities; took prominent part in the "Literary Revolution" in 1918 as an editor and afterwards editor-in-chief of "*The Renaissance*", an influencial monthly published in Peking; professor of history in the National South-Eastern University 1926; political advisor to the Commander-in-Chief of the Nationalist Forces, 1927; member of the Central Committee on legislation and codification, 1927; dean and one of the founders of the Central Political Institute, (the President being the Chairman of the National Government), Nanking, 1927-28; high commissioner of education and the representative of the Ministry of Education in the committee of the war area administration, 1928; commissioner of education and member of the Provisional Government of Shantung 1928; appointed by the State Council president of the National Tsing Hua University, Peiping, 1928; since then it is generally recognized that a great number of reforms has been inaugurated and definite progress achieved in Tsing Hua; resigned in June 1930, but has not yet obtained permission from the National Government; appointed member of the University Council, 1929; member of the Societe Asiatique and other learned societies; author of the following works: "Science and Metaphysics", "A Critical Study of the Official Documents concerning Dr. Sun Yat-sen's "Kidnapped in London'", "Chinese Translation of J. B. Bury's 'History of Freedom of Thought'", "Chinese Translation of Paul Reinsch's 'Fundamentals of Government'".

Chia-Luen Lo, Litt. B.
羅家倫

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Chang Chin-kiang
張靜江

Chang Chin-kiang, government official and veteran Kuomintang member; born at Nanzing in Wuhsing, Chekiang; he came from a family well-known for its wealth, whose members were great traders in silks and curios in Europe and America in the closing days of the Ching dynasty; met Dr. Sun Ya-sen in Shanghai and joined the revolutionary cause, for which, he contributed all his family inheritance; after the success of the 1911 Revolution, he joined Dr. Sun's Provisional Government at Nanking, but did not accept any official appointment; was proscribed by Yuan Shih-kai for his anti-monarchy movement and fled to France; while in France, he opened a store dealing in Chinese curios and also ran a Chinese bean-cake factory, of which Chu Min-yi (now member of the Central Executive Committee of the Kuomintang) was the manager; when Dr. Sun was in need of funds for his revolutionary movements he sold his business in France and contributed all its proceeds to the revolutionary cause; upon returning to China, he took up his residence in Shanghai and interested himself in cotton exchange and gold-bar exchange business in Shanghai in order to raise more funds for the Revolution; went to Canton in 1925 and was elected member of the Central Executive Committee of Koumintang; when Chiang Kai-shek launched his Northern Punitive Expedition in 1926 he accompamnied him to Wuhan and Kiukiang, but after the split of the Wuhan and Nanking factions he retired for a short time; when the Nanking Government was established by Chiang Kai-shek, he was invited to join it and is now holding the following positions; member of the Central Executive Committee of Kuomintang; member of the Central Supervisory Committee of Kuomintang; chairman of the National Reconstruction Commission; member and chairman of the Chekiang Provincial Government, 1928-30; president of the Westlake Exposition, 1929; president of the National Athletic Meet held in Hangchow, 1930; address: Chekiang Provincial Government, Hangchow, Chekiang.

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Hu Po-an, government official; born at Ching-hsien, Anhwei, 1878; a member of the Kuomintang and a devoted follower of Dr. Sun Yat-sen in the revolutionary movement; since the establishment of the Republic, he has been engaged in journalistic and educational work in Shanghai; served as editor of the following papers: the *Min Lieh*, *Min Chuan*, the *Pacific*, *Chung Hwa Ming Pao* and the *Republican Daily News*; professor in the following universities: Southern University, Ta Hsia University and and the Chih Tze University; later, appointed chief of the Fukien provincial library; secretary of the Ministry of Communications; chief of the compilation and investigation section of Shanghai-Nanking-Hangchow Railway Administration; now, member of Kiangsu Provincial Government and concurrently commissioner of civil affairs for Kiangsu; author of a series of books dealing with Chinese ancient philosophy, literature and origin of Chinese characters; address: Department of Civil Affairs, Kiangsu Provincial Government, Chinkiang, Kiangsu.

Hu Po-an
胡樸安

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Kwei Fu, vice Tutung of Hulunber (the Barga District): born at Hulunber, Heilungkiang; he is the brother of Sheng Fu, formerly vice Tutung of Hulunber; is loyal to the Central Government of China and has demonstrated his loyalty on many occasions; during 1914 and 1915, local leaders of Hulunber declared independence of China, it was he who persuaded them to cancel the independence; later in 1919, when Hulunber proclaimed autonomy, he was instrumental for its abolition in the interests of the Central Government; in 1929, when the youths of Hulunber staged an uprising, he preserved the order of the district; during the Sino-Russian

Kwei Fu
貴福

War last year, when Hulunber fell into the hands of the Russians he rendered a great service in the maintenance of the peace and order of the district and finally was responsible for its recovery; he is now nearing seventy but is still energetic in the service of the Central Government;address: care of Tutung's office, Hulunber, Hailar district, Heilungkiang Province.

## Filipinos Gleeful Over Withdrawal of Roosevelt

When the news became known in the Philippine Islands last week that Nicholas Roosevelt was not going to take up his appointment as vice-Governor of the Philippine Islands there were expressions of glee to be heard on all sides and an impromptu celebration was held in Manila September 25 to celebrate the event. In the meantime speculation is rife as to who will be appointed.

Out of the many names suggested by local politicians and observers, that of Arthur Fischer, director of the Bureau of Forestry for the Philippines is mentioned as a possbility. His appointment would be acceptable to the inhabitants of the Islands.

## Sven Hedin Rediscovers an Erratic Central Asian River

A recent *Trans-Ocean* dispatch from Stockholm states that the famous Swedish explorer, Sven Hedin, was struck by the fact that the bed of the river Tarim (which issues from the Jarkand river and terminates in the Lob-Nor) was located differently from the course indicated on the Chinese maps dating 1,500 years back. The explorer came to the conclusion, which he has since confirmed, that the river had changed its course during the intervening centuries; he re-discovered the Tarim, peacefully proceeding on its way, 140 kilometres farther to the North.


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# New Books of Interest in the Far East

## An Indian Government Report

*India in 1928-29, by J. Coatman, Director of Public Information of the Government of India. 366 pages, exculding appendices, maps and statistical charts. Published by the Central Publication Branch of the Government of India.*

This is an annual statement prepared for presentation to the Imperial Parliament in London in accordance with the requirements of the 26th Section of the Government of India Act (5 & 6 Geo. V Chap 61), and, being an official publication, it is naturally written in the characteristic manner peculiar to a government document.

The book should be invaluable to us here in China where the problems of India are correlated with those of China in so far as the independence movement is concerned. Being a record of facts, men, and events taking place during the year 1928-29, ther is of course nothing in the volume which is new to the student of Indian affairs, but as a book of reference it is invaluable and one never knows when information on some particular matter would be more than appreciated.

The distribution of chapters is such that each chapter is complete in itself. Chapter 1, for instance, contains a record of the Statutory Commission's enquiry (usually referred to as the Simon Commission) Hindu-Muslim relatirns, a record of riots, deaths of prominent Indians and Aoglo-Indians, strikes, recommendations of the Indian Cinemntograph Committee, the Church of England in India, aand India's relations with South Africa. Then follow spolitics during the year, country and town, state and people, communications, trade and commerce, finance and external relations, military, aerial and naval affairs, law and order in the provinces in subsequent chapters, and a final chapter on Archaeology in India.

In giving his account of the riots and strikes and the methods adopted for their suppression, Mr Coatman unconsciously provides us with evidence of that attitude of mind which has brought about the present Indian crisis and for which the British are largely responsible. Those who have so me knowledge of official life in India are bound to revolt against the traditions and outlook of the Anglo-Indian—whether he be employed in the Civil Service or in the Indian Army. There is not the slightest shadow of doubt that a good deal of the violence displayed by the workers of India is due to the way in which a civil outbreak is handled at its commencement by the authorities.

As long as Indian administrative positions are occupied by those who are victims of a British Public School education, an orderly public meeting of workers will always grow to the dimensious of a serious riot. The bullying attitude adopted by the young hopefuls whose mammas send them out in the hope that they will have an easy and comfortable position and no work is the cause of the major part of Britain's troubles in India. The tradition of "stern measures" after the Indian Mutiny has survived from generation to generation of military and civilian officers and the ghastly Amritsar massacre was nothing else but a repetition of the days when after the Indian Mutiny Indian soldiers were lashed by the English to the muzzles of their cannon and blown to pieces. Granted, the Amritsar affair has nothing whatever to do with this book, but several little Amritsars took place every day during the period reviewed by Mr Coatman, and these will continue to take place so long as those who are responsible for guiding India along the path of independence are careful to see that the aims and the aspirations of Indians are never realised.

Public School life with its prefect system sends young fellows out East in the right mood to acquire that bullying way of treating Easterners, so the only remedy is to either get rid of the Public School system or else for the British Government to see that only those youths are sent out from England who have had a decent, humane, education, and who are prepared to show sympathy and understanding towards the problems of a race who are, after all, merely demanding the common right of every nation—self-determination. If this were done it would give Indians some hope that Britain was at long last beginning to face up to the real cause of her difficulties in the East.

In the chapter on the provinces, the reader is reminded that the present constitution of India is based upon the Government of India Act of 1919, which is a statute of the British Parliament. The object of the statute is to implement the historic declaration of August 20, 1917, which announced the intention of the British Government to guide India in measured progress towards responsible self-government. The Act of 1919 was meant to take India along the first stage of this progress, and its provisions were formulated after all the conditions of the problem, both in India and in England. This chapter, therefore, is only concerned with the division of functions under the Act of 1919—that is the division between the Central and Provincial Governments, and, more particularly, with the arrangements according to which the provincial sphere is divided between the Governor acting with his Executive Council and the Governor acting with his Ministers.

This chapter will assist us to compare the situation which has prevailed since the Act of 1919 was passed and that following the publication of the Simon Report this year. Lord Irwin's recent speech to the Legislative Assembly has produced a notable change in last year's condition of affairs. The speech has brought to the support of the proposed Round-Table Conference a large section of the Liberals, Independents and Muslims; and there appears to be general recognition that the Viceroy has gone further than in his previous utterances to conciliate Indian national opinion. Among the hopeful factors in the existing situation as compared with that covered by Mr Coatman is the gradual change of attitude of the European community (excluding of course the young hopefuls from the Public Schools) and the crystallization of the view that the presence of the Congress Party leaders at the Conference is essential for its success.

The leader of the European group of the Legislative Assembly has expressed strong disapproval of the die-hard element in Britain dictating policy to the Government in India. Of the greatest significance is the view of the Bombay Chamber of Commerce and the Bombay Branch of the European Association that "they have every sympathy for all reasonable aspirations of Indians towards obtaining a suitable form of responsible government embracing the substance of Dominion status as soon as possible." It is this mood which accounts for the tendency among the non-Congress politicians to read the most favorable interpretation possible into the Viceroy's speech.

Sooner or later, the position will have to be faced, whether at the Round-Table Conference or later still, when the British Parliament will be obliged to consider a new Government of India Bill. The Government will have to come out into the open, and either support India's demand for a Dominion Constitution and face a crisis at Westminster, or oppose it with a consequent stiffening of the opposition in India. Should the Government take the former course it would win for them the support of every section of Indian opinion, not excluding a gooodly proportion of the British.

Mr Coatman has written an important book—if only for the sake of comparisons.

H.B.C.

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## Labor, Capital and Politics

*Labor and Capital in National Politics, by Harwood Lawrence Childs, 1930, The Ohio State University Press, Columbus, Ohio, U. S. A, 286 pages.*

Dr. H. L. Childs has given to the student of economics and politics a careful study of the relationship, in the United States, between governmental affairs and those of labor and capital. Not only will the American student be interested in the present study, but students of political economy in other portions of the world, since the reader is shown so clearly and scientifically the great influence unofficial (as far as Constitution goes) organizations bring to bear on American political affairs.

*Labor and Capital in National Politics* presents a detailed study of two of the most important economic group organizations in America, the Chamber of Commerce of the United States, and the American Federation of Labor, showing how these organizations possess political and governmental significance. Such significance has been recognized for some years past, but more attention has been paid to economic importance rather than to that of politics and government. Dr. Childs, however, attempts to disregard economic aspects in a successful attempt to picture the political implications seen in these two agencies.

The work is divided into five major divisions: Unfolding of Group Characteristics, wherein we find the history of the organizations, showing how they have been perfected and how they reached their present objectives. The Representative Character of Group Agency takes up the nature and numbers of membership, geographical distribution, and membership potentiality. Policy-Determining Technique discusses policy formulating, provision of adequate centers for policy initiation and insurance of dispatch in constructing new programs to meet new conditions. When it comes to Execution of Policies, there appear to be two main divisions, influencing legislation

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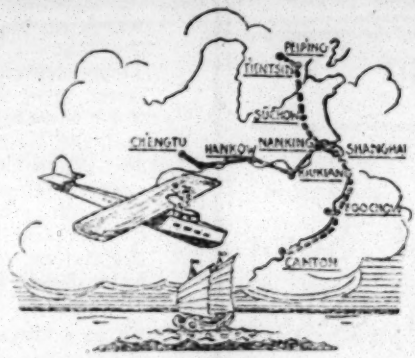
**Passenger Fare Table**

| | Single Trip | Round Trip |
|---|---|---|
| Shanghai-Nanking | $ 40 | $ 60 |
| „ -Kiukiang | 104 | 156 |
| „ -Hankow | 138 | 207 |
| Nanking-Kiukiang | 64 | 96 |
| „ -Hankow | 98 | 147 |
| Kiukiang-Hankow | 34 | 51 |




**Time Table**

*West Bound*

| | | |
|---|---|---|
| Shanghai | dep. | 8.00 a.m. |
| Nanking | dep. | 10.30 a.m. |
| Kiukiang | dep. | 1.30 p.m. |
| Hankow | arr. | 3.00 p.m. |

*East Bound*

| | | |
|---|---|---|
| Hankow | dep. | 8.00 a.m. |
| Kiukiang | dep. | 9.45 a.m. |
| Nanking | dep. | 12.45 p.m. |
| Shanghai | arr. | 3.00 p.m. |

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and public administration. Social and Political Implications sums up the political relationships of state and group shown or indicated in the preceding chapters.

Six appendices and a bibliography adequately substantiate the statements and statistics made in the body of the book.

M. V.

## A History of English Socialism

*Cromwell and Communism, by Edouard Bernstein, translated by H.J.Stenning. Published by George Allen & Unwin Ltd., Museum Street, London.*

The moderate temper and practical outlook of the Labor and Socialist Governments of modern times, with the exception of the U.S.S.R. of course, are largely due to the Revisionist movement which the author of this little work inaugurated a generation ago.

Cromwell and Communism is a translation of Bernstein's *Sozialismus und Demokratie in der grossen englischen Revolution*—a book which he wrote after he had lived in England for many years as correspondent of *Vorwaerts*. Edouard Bernstein is a venerable figure in the international socialist movement and his book is a classic study of the socialist movements and aspirations of the Cromwellian era. He shows the extensive and formidable character of these aspirations, devoting special consideration to John Lilburne and the Levellers, and to the social and ecomomic utopias of Gerrard Winstanley, Hobbes, and James Harrington.

This searching investigation of a turbulent period of English history will be of interest to the general reader as well as to the student of sociology.

Of the subject which he has chosen Bernstein is quite competent to write, for in its original version it formed one of the volumes of Karl Kautsky's comprehensive history of Socialism.

H. B. C.

## The Ladies of the U.S. Navy

*"Navy Wives," by Whitman Chambers. New York: Rae D. Henkle Co.*

Those greatly maligned, long-suffering creatures of circumstance, the ladies of the United States Navy, are with us again—this time in the guise of wistfully wanton characters, aimlessly wandering through an enlightenep expose of family life in the U. S. N.

Newly married Claris Walling joins her husband, a lieutenant in the Navy, commander of a submarine, in Coca Sola, Panama. From an unspoiled, unsophisticated New England girl, she soon changes into a somewhat discontented, blase woman, finding solace from the unmitigated monotony of submarine base life in the tropics in Martinis and men. The author marks her metamorphosis with a series of disillusioning episodes involving her husband, other navy wives, who, like Claris, are suffering from boredom and the lack of a much-needed spanking, and Pete Murdock, a shy young man with whom Claris temporarily falls in love.

By far the best part of the book concerns the sinking of a submarine—the rest is all rather stilted and tiring conversation. With little else to recommend it, the book offers a harmless way of passing an evening.

B. K.

## Recent Pamphlets Received

The National Foreign Trade Council, whose headquarters are at in Hanover Square, New York City, recently issued No. 9 of its Fact Finding Pamphlets in Foreign Trade, with the title "The International Bank and the Reparations Settlement." The author is George P. Auld of Haskins & Sells, New York, formerly accountant-general of the Reparation Commission. The gist of his argument is that the Bank for International Settlements and the other disinctive features of the Young Plan have lived up to their expectations.

The International Labor Office's weekly journal *Indusrial and Labor Information*, in its issue of September 1, publishes reports on labor conditions in South Africa, the United States and Canada. In a discussion concerning Dutch diamond workers the fact is revealed that their union has voluntarily agreed to a reduction in wages owing to the bad state of the Dutch diamond market. Belgium is rapidly superseding Holland as the center of the diamond cutting industry.

The China National Aviation Corporation has issued a handsome colored brochure pointing out the advantages of air mail. The new service to Chungking saves 12 days in mails from Shanghai.

工商部工商訪問局工商經濟月刊

CHINESE ECONOMIC JOURNAL

September, 130

The Marketing of Soya Beans and Bean Oil

*By Tsao Lien-en*

Agricultural Conditions in China

*By Yen Chi-uen*

Pastoral Products of China

*By Rose Leibbrand*

Eighty-five Labor Families of the Shanghai Post Office

*By Fang Fu-an*

One Hundred Labor Families of the Commercial Press Ltd.

*By Fang Fu-an*

Internal Loans

Published by

The Bureau of Industrial and Commercial Information, Shanghai

# Kemmerer Report on Revenue Policy is Issued

*As stated elsewhere in this issue of the Review, the National Government during the week issued the report of the Kemmerer Commission on revenue policy. The general tenor of the report is shown by the following extracts:*

China's new tax policy should aim first at reduction in the number of taxes. Such a policy should seek particularly to do away with repeated levies upon the same taxable object, which in the case of articles of commerce often have the effect of advancing the cost beyond possibility of profitable sale.

Perhaps the most important result of reduction in the number of taxes and of successive levies would be the freeing of trade from the burdensome restrictions which are laid upon it by these taxes and especially by the manner in which they are sometimes administered. These restrictions keep the total volume of trade at a lower level than it would otherwise attain and thus limit the commercial earnings of the people engaged in trade; and the limitation of potential earnings reacts unfavorably upon the prosperity of China as a whole. The increased freedom of enterprise which would in time result from the removal of existing limitations would ultimately increase in marked degree the taxable resources of the nation, as similar developments in the western world have done.

Among the levies which have been most harmful to China's trade and prosperity is that of *Likin* in its various forms. This subject has previously been discussed by the Commission of Financial Experts and recommendations have been made which, if carried into effect with respect to the taxation of commodities generally, would greatly reduce the scope of *likin* taxation and should ultimately induce its abandonment. Other taxes of somewhat similar character should likewise be abandoned, particularly native customs duties, coast trade duty, and export duties on goods shipped from one Chinese port to another.

In a Memorandum on Income Tax, submitted September 4, 1929, it was recommended that no attempt be made to introduce a *general income tax* in China at the present time. Further investigation of the possibility of a specific or *partial income tax* has not convinced the Commission of Financial Experts that even this limited application of income taxation would now be desirable.

At the present time, the great bulk of the revenues of the National Government is derived from the Maritime Customs. Import duties form much the larger part of these revenues, and it seems both likely and desirable that they should for many years remain China's chief reliance for revenue. Customs taxation has long been accepted as a part of China's tax system, and old taxes are proverbially more easily collected than new ones. Perhaps because of its relative freedom from political uncertainties, the customs service has developed and maintained a higher level of administration efficiency than is to be found generally in internal revenue administration in China. For these reasons, it would perhaps be easier to obtain additional revenue from customs import duties than from any other source, provided the tariff of duties be worked out with due care.

While there is some ground for believing that customs import duties are not now especially burdensome to the poorer classes, there is no doubt that other parts of China's revenue system bear heavily upon them. The salt revenue is a case in point.

## Brawl Between Hawaiian and Filipino Ends in Murder

**William Garcia, American citizen from Honolulu, was murdered in Shanghai early last Sunday morning, Sept. 28. In the meantime, Ramon Tobias, Filipino musician who admits committing the deed but who pleads self-defence, is being confined in the U. S. jail, where the will be detained until the return of Judge Milton D. Purdy, who left Shanghai for the U.S.A. last August and will not return until end of January. Tobias will, however, be given a preliminary hearing before U. S. Commissioner Krisel after an inquest is held on Garcia. The murder followed a brawl at the corner of Range and North Szechuen roads.**

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## Attempted Assassination of Lenox Simpson

Lenox Simpson (Putnam Weale) who served as Commissioner of Customs at Tientsin under the regime of Gen. Yen Hsi-shan and the Northern Military Coalition, was shot and seriously wounded at his residence in Tientsin on the late afternoon of Wednesday, Oct. 1. According to a report by the *Rengo* service, four Chinese called at Simpson's house and requested to see him. When Simpson entered the room one of the Chinese fired two shots from a revolver, one of which struck Simpson in the abdomen. He was immediately taken to the hospital and according to latest reports was in a serious condition. The attempted assasins apparently made good their escape.

Since his action in taking over the Tientsin custom house and ousting the Government's appointee shortly following the outbreak of the recent civil war, Mr. Simpson has been the storm center of Chinese and international politics in the Far East. The National Government on two occasions demanded his arrest and deportation by the British authorities on the grounds that he was aiding and abetting a rebel faction. Simpson, however, continued in office, but recently when the Peiping-Tientsin area was taken over by the Mukden faction, he apparently was informed that he would have to relinquish his post. Several weeks ago he claimed to have discovered serious irregularities in the Tientsin customs department whereby foreign firms had defrauded the Government of large sums by making false declarations regarding classifications of goods. He threatened sensational disclosures in this connection. Mr. Simpson also stirred up serious complications recently by witholding the sum of $35,000 from the Tientsin customs receipts, allegedly for the support of Government universities in Peiping. He claimed this sum was due from the remitted Russian share of the Boxer indemnity, but had been held up by the Nanking authorities.

Simpson is a writer by profession, being the author of many books, including novels, dealing with Chinese life and affairs.

## M. Vandervelde, Belgian Socialist, Welcomed by Chinese Organizations

Emile Vandervelde, former Premier of Belgium and Minister of the Socialist Party of that country, arrived in Shanghai September 30, accompanied by Mme. Vandervelde. A joint reception and dinner was given them in the Majestic Hotel by the Academia Sinica, the World's Chinese Students' Federation, the Shanghai offices of the Ministries of Foreign Affairs, Industry, Commerce and Labor, and Agriculture and Mines, the City Government of Greater Shanghai, the Society of China, the Shanghai Chinese Bankers Association, the Chinese General Chamber of Commerce, the Shanghai District Kuomintang, the National Central University, the College of Commerce, the National Chiaotung University, the *Shunpao*, the *Sinwanpao*, the *China Times*, the *China Critic* and many other organizations.

## Maryland Governor to Entertain International Road Delegates

The Sixth International Road Congress being held in Washington this month has attracted world-wide attention. The Congress will hold its closing session Saturday, October 11, when the delegates will be entertained at a reception and luncheon at the State House at Annapolis, Maryland, by Governor Albert Ritchie, on behalf of the State of Maryland.

## A Belgian Committee That Assists Chinese Students

*Le Comite interuniversitaire Sino-belge*, established in 1927 to render financial assistance to Chinese students in Belgium, has recently published its annual report. The money for this purpose is supplied by Belgian industrial and financial organizations and its work is quite independent of the funds which are available from the Boxer indemnity, which are controlled by the Sino-Belgian Commission of Instruction and Philanthropy, founded in 1929.

## IN THE FIELDS OF FINANCE AND RECONSTRUCTION

*(Continued from page 181)*

being claimed that the former-Kuominchun general Shih Yu-shan, had joined Gen. Han Fu-chu and probably would be stationed at Tehchow in the section of Shantung north of the Yellow river.

### S. M. R. President Seeks Better Understanding with C. E. R.

Mr. Sengoku, the 73-year-old President of the Japanese Government-owned South Manchuria Railway, arrived in Harbin September 24. In an interview he spoke with great animation regarding his plans for improving the South Manchuria Railway and his plans for coping with the world economic crisis which is seriously affecting conditions throughout Manchuria. He declared that by augmenting the export business from Manchuria the S. M. R. hoped to bring foreign money into Manchuria.

Mr. Sengoku said that his purpose in visiting Harbin was to try to improve the relations between the S. M. R. and C. E. R. as well as with the Soviet Russian Ussuri Railway. Mr. Sengoku incidentally stated that it was now possible for Chinese citizens to purchase stock in the Japanese line. Mr. Sengoku later proceeded to Kirin on an inspection tour.

### Regulations Define Scope of Shanghai Commerce Chamber

The *Kuo Min* news agency on Sept 25 issued the text of a new set of regulations defining the scope of the Greater Shanghai Chamber of Commerce. The regulations which were approved by the executive committee of the organization, define the functions the of Chamber as follows:

1. To plan for the promotion of industry and commerce.
2. To supply information and advice relating to commerce and industry.
3. To promote and direct international trade.
4. To compile statistics relating to commerce and industry.
5. To act as mediator or arbitrator in commercial or industrial disputes.
6. To furnish expert testimony in cases involving customs and usages of industry and commerce.
7. To collect and exhibit commercial and industrial commodities.
8. To undertake, at the request of merchants, translations of foreign or Chinese commercial documents.
9. To issue, at the request of interested parties, public notices relating to business affairs.
10. To carry out, at the request of the parties concerned or the competent Government authority, the liquidation of business firms.

### Increased Railway Revenues

According to statistics compiled by the Ministry of Railways, the total receipts of the following nine Government railways for the first six months of this year, was $43,510,154. Despite the fact that railway transportation had been interrupted by warfare, an increase of $92,743 was recorded as compared with the revenue of the first six months of 1929.

The following table shows the income of each of the nine railways:—

| | Revenue | |
|---|---|---|
| Railways | Passenger | Freight |
| Peking-Mukden | $7,730,418 | $9,868,815 |
| Tientsin-Pukow | 2,100,035 | 2,060,278 |
| S'hai-Nanking | 4,761,908 | 1,242,038 |
| S'hai-Hangchow | 2,256,775 | 1,000,292 |
| Taokow-Chinghua | 119,681 | 526,789 |
| Canton-Kowloon | 689,046 | 93,119 |
| Kiaochow-Tsinan | 2,050,160 | 4,457,087 |
| Nanchang-Kiukiang | 339,320 | 246,244 |
| Canton-Shiukwan Section of Canton-Hankow | 1,110,380 | 1,526,468 |
| | $21,157.723 | $21,030,130 |
| Miscellaneous income | | $1,322,301 |
| Total revenue | | $43,510,154 |

It is anticipated that the revenue for the current half year will exceed these figures if hostilities are concluded at an early date and rolling-stock is available to handle the huge quantities of freight awaiting transportation.

### Further Reorganization of China Merchants S. N. Co.

The *Kuo Min* service on September 18 reported that the directors of the China Merchants Steam Navigation Company had decided to appoint a special committee to readjust the shares of the company in order to safeguard the rights of investors and readjustment of outstanding liabilities. It was also decided that in future all contracts entered into by the company, in order to be valid, must contain the signature of the Special Commissioner appointed by the Government, Li Chung-kung, an official of the Ministry of Communications. However, all which had been entered into prior to the promulgation of the recent regulations, will be recognized. The directors also decided to establish a definite schedule of salaries for captains, officers and seamen in the employ of the company. Li Chung-kung, recently appointed Special Commissioner, stated that he had sent a telegram to Mayor Chang Chun of the Greater Shanghai Municipality urging him to return to Shanghai as soon as possible in order to participate in the reorganization of the Company. However, a report which appeared in the *North-China Daily News* on Sept. 18 stated that Mayor Chang Chun desired to retire from the Board and asked that some one else be appointed. Mayor Chang Chun has been in Mukden for several months on a special mission for the Government.

The *Shun Pao* on Sept. 25 reported that the Government recently had released some 30 Chinese-owned steamers which had been used for troop transport and that charter-fees had been paid up to July. The National Military authorities announced that all ships which had been commandeered for government use would shortly be released to the Chinese steamship companies.

### T. V. Soong's Statement on Salt Loan Payments

T, V. Soong, National Finance Minister, issued the following statement on the matter of payment of interest coupons on the so-called Salt Loans, on Sept. 30, the statement being circulated by the official *Kuo Min* news agency:

"One year has now elapsed since the issuance of the statement of September 18, 1929, and in spite of the civil war and adverse rates of exchange the Government has provided the funds for all of the payments contemplated to be made in the year ending September 30, 1930.

"These payments include the two coupons of the Anglo-French Loan due to bondholders April 5 and October 5 of this year; the June coupon of the Hukuang Loan (amounting to about £140,000 or considerably more than the salt contribution of Haikuan taels 950,000); and three coupons of the Crisp Loan due respectively to bondholders on April 1 and October 1, 1929, and April 1, 1930.

"It will be recalled that last September two coupons of the Anglo-French Loan were paid, thus completing payment of arrears of interest of this loan. Payment of the coupon of the Crisp Loan due to bondholders October 1, 1930, is scheduled to be effected at the end of this year, thus completing payment of all arrears of interest of these two loans which accumulated in 1927-28.

"With arrears of interest eliminated, attention will be directed to paying off arrears of principal, in order of seniority. This is the principle embodied in the plan of September 18, 1929.

"The Crisp Loan interest payment which it was expected to make on July 1, 1930, was not made at that date as contemplated because Yen Hsi-shan had refused to release a large amount of salt loan funds collected in territory then under his control. It was felt that the chances of getting these funds would be increased if the July, 1930, payment were temporarily held up while pressure was brought to bear for release of these loan funds. The funds were finally received a few days ago.

"In the past year, the Salt Inspectorate has made considerable progress toward improving the administration of the salt revenue, and considering the disturbed state of many parts of the country, the success achieved in obtaining remittance of loan quotas has been gratifying."

### Tientsin British Cigarette Factory May Reopen

A recent *Reuter* dispatch from Tientsin states that when the new Manchurian regime has been fully installed it is hoped that the British Cigarette Company's factories in that city, which were recently closed down owing to the exorbitant demands for taxes made by the Shansi officials, can be re-opened under the old conditions regarding taxation arranged by the National Government. Everything in the factories was being held in readiness for a resumption of work and it is believed that the employees can be recalled to their duties at a moment's notice.

### REPORTED RESIGNATION OF MARSHAL FENG YU-HSIANG

*(Continued from page 167)*

stated that such had been advocated by Dr. Sun Yat-sen and would undoubtedly have been called had it not been for the rebellions against the government organized by Yen Hsi-shan, Feng Yu-hsiang and Wang Ching-wei. Mr. Wu stated however, that a distinction must be drawn between the proposed National Convention (Kuo-Min-Hui-Yi) and the so-called People's Conference (Kuo-Min-Ta-Hui). The main object of the National Convention, as envisaged by the late Dr. Sun in his Last Will, was to obtain the assistance of the so-called intelligentsia or more enlightened people of the country, in the carrying out of the constructive program of the Party and Government. On the other hand the People's Conference, must be an assemblage of representatives of the entire people called for the purpose of formulating political programs and policies. The National Convention must be called during the period of Political Tutelage, while the People's Conference must be convened at the conclusion of the period of Political Tutelage for the purpose of creating Constitutional Government.

# How Yen Hsi-shan Governed North China

*(By the Review Correspondent)*

The political atmosphere in Tientsin and Peiping was very much one-sided, that is, no news whatsoever that was unfavorable to the Northern Coalition was allowed to leak out. Even the news issued by *Reuter* in the north was written in such a manner as not to arouse too much antagonism on the part of the northern authorities. The foreign newspapers were allowed a more or less free hand, but the Chinese newspapers were being closely watched by the Garrison Commander for the publication of any news considered detrimental to the interests of the Northern Coalition. During the month of May the *I Shih Po*, or the Social Welfare, was suspended for a few days upon notification by the authorities that that paper had published a news item to the effect that Wang Ching-wei would not come up to the north at a time when he was still in Hongkong, but it is common gossip in newspaper circles that the real reason was due to the appearance of an article predicting the impossibility of seizing the Tientsin Customs. Another paper, the *Shang Po*, or the *Commercial Daily News*, of which Stephen Wang is editor, was suspended several times owing to the appearance of news items which did not suit the fancy of the censors. This paper was again ordered suspended on Sept. 13 on the ground that an item was published alleging that General Chang Hsueh-liang had decided not to send any representatives to participate in any activities of the proposed government of the Northern Coalition. The *Tientsin Ji Po*, *Tientsin Daily News*, was also suspended for abont three months owing to the publication of certain news items relating to the political situation. How hard it was to get absolutely reliable and accurate news in the north may be illustrated by the following incident. Dr. Chu Ao-hsiang, Director of the Department of Foreign Affairs of the Northern Coalition, made a statement on August 2 that: "Reliable information had reached here (Peiping) from Shanghai that General Chiang Kai-shek had recently secured another big foreign loan of 30 million dollars from the British-American Tobacco Company, the Great Northern and the Great Eastern Telegraph Companies, and the Standard Oil Company." The alleged loan was immediately contradicted by F. A. Perry, Tientsin Departmental Manager of the British-American Tobacco Company, who stated in his communication to the *North China Star* that: "There is no truth whatsoever in the reported statement, and we shall be obliged if you will publish a complete denial of any loan having been made by this company, or having been contemplated." It is also a well-known fact that the three companies in question also issued emphatic denials from Shanghai.

Besides the censorship of the press, all mail matter telegrams and telephone messages were censored. Foreigners complained that even their mail was tampered with sometimes by the Post Office, so *The Review's* correspondent is not sure whether this article will reach its final destination as it was mailed prior to Gen. Yen's evacuation.

#### A Sharp Watch on Nanking Emissaries

A sharp look-out was kept for southern emissaries or agents of Nanking: boats were thoroughly searched at Taku Bar and any person suspected of being sent by Nanking was promptly arrested and handed over to the military authorities to be dealt with. It is reported that when one of the boats coming from Shanghai was searched, a man who was believed to have some connection with Nanking, jumped overboard and drowned himself rather than be arrested.

All arrested prisoners who were supposed to have some political affiliation detrimental to the northern cause were kept in the military prison attached to the headquarters of the Garrison Commander. At the time of Yen's evacuation about 200 such prisoners were charged with being Communists or reactionaries, but as there was not sufficient evidence against them to actually prove they were Communists, the military authorities felt that the best thing to do was to keep these alleged Communists in jail. How easy it is to charge a person with being a Communist may be testified by the fact that two Russian women were arrested in a house of prostitution situated in the ex-German Concession on August 19 and were thrown into the military prison on a charge of having bombs in their possession. It was revealed that a bomb was actually discovered in the alleged house of ill-fame, but it was empty and was possibly kept there as a souvenir. It seems ludicrous to have put two prostitutes into a military prison and charge them with being Communists, but this charge did not seem so puzzling to the writer when he learnt that the two Russian women in question, who were known by the authorities to possess some money, are said to have "coughed" up a tidy sum although this was later denied. It is an open secret in Tientsin that a wealthy person who fell into the clutches of the Shansi military authorities here and was detained in the military prison had a more difficult time to get out than a comparatively poor man. The reader must draw his own conclusions on the following news item issued by *Kuo Wen* on September 13: "Mr. Chang Liang-mu, wealthy flour merchant, was arrested early Friday morning at his Tientsin residence on the charge of connections with the reactionaries. Mr. Chang's family has requested the Tientsin General Chamber of Commerce to petition for the release of Mr. Chang."

Another interesting case happened in the French Concession of Tientsin recently. A certain Mr. Chang, who has no connections with the flour merchant above quoted but who was formerly an employee of the Peiping-Hankow Railway, came out of his house shortly after tiffin when he was accosted by four Chinese armed with pistols who told him to get into the car without making any noise. At the same time, a servant who witnessed the scene was threatened with death should he make any cries for help, but after Mr. Chang was taken away by the kidnappers, the servant immediately notified the French. In the meantime, Mr. Chang was taken to the headquarters of the Garrison Commander, and so far it is not known what the charges are against him. The French Consul immediately protested to the Shansi authorities who emphatically denied any knowledge of the matter, but the French police have positive proof that the kidnapping actually took place and that the man is imprisoned in the military jail. It was learned that the French Consul demanded the release of the man in question and requested the punishment of the kidnappers to prevent similar outrages in the future, although kidnapping cases were frequent occurrences in Tientsin.

#### Shansi's Poor Financial Outlook

The financial outlook of the area controlled by Shansi was not very bright, because a month ago General Yen Hsi-shan gave orders to the Tientsin-Pukow Railway Administration to accept only "military notes" for booking passages on through express trains. These military notes were really promises to pay, so here was a situation where the railway had to accept only promises to pay in lieu of hard cash or ordinary bank notes. This step, no doubt, caused considerable inconvenience to the travelling public. One can imagine how a breathless person rushing up to catch an outgoing train feels when he is told at the ticket office that he must exchange his

silver money for "military notes" at another booth before he could purchase a ticket!

The financial stringency of the Northern Coalition led the Chinese authorities in this part of the country to impose new and higher taxes upon the already overburdened public. The increase of the cigarette tax to 50 per cent aroused widespread protest from Chinese and foreign merchants alike. The strong resentment of the Chinese business men to the arbitrary increase of taxes was evidencee by the vigorous protest of 400 members of the Cigarette Merchants' Association who denounced the local Tax Officials for the manner in which some of their members were arrested and fined. The Cigarette Merchants' Association sent a delegation to the Tax Bureau to intercede on behalf of these victimized merchants, but the much-desired interview was flatly refused by the Director. Whereupon the enraged merchants addressed a petition to the "Enlarged Plenary Session of tho Kuomintang" at Peiping with the object of obtaining redress for their wrongs suffered at the hands of local tax officials, but their efforts were of no avail. The most glaring case was the interference of the Shansi authorities with the British-American Tobacco Company. In utter disregard of the agreement made between the B. A. T. and the Nanking Government, the attitude of the Tax Adminstration was "pay the 50 per cent taxes or go out of business." The B. A. T. advanced the argument that the Shansi authorities should recognize the agreement made with the Nanking Government so as to allow the company to carry on business and prevent thousands of hard-working workmen from losing their only means of livelihood. No compromise was forthcoming owing to the obstinacy of the local authorities, but instead, some consignments of the company's goods were detained. So the British-Amercan Tobacco Company closed the doors of its factory on August 11, and according to W. A. N. Haygate, who was in Tientsin supervising the closing down of the factory, the factory decided not to reopen until the illegal taxation was removed. More than 4,000 Chinese workmen, who in any case were living from hand to mouth, were thus thrown out of employment.

The appearance of Nanking war planes over the city of Peiping and the dropping of several bombs caused considerable consternation. Many of the elementary schools in Peiping took extra precautions by conducting their classes in the evening, while underground refuges were being constructed near the important offices of the proposed government in order that government officials might seek shelter whenever bombs were dropped from the air. A few days ago there was considerable excitement in Peiping when the authorities were expecting the visit of some Nanking planes and it was not surprising that some people even went so far as to hide themselves. But in spite of all expectations and the preparation for a "warm" reception by the mounting of an anti- aircraft gun on Coal Hill, the Nanking planes did not arrive.

Tientsin, September 20, 1930.

## British Hand Back Weihaiwei to China

Wang Chia-ching, Vice-Minister of Foreign Affairs and Special Commissioner to take over Weihaiwei, accompanied by Hsu Tsu-shan (future administrative commissioner) and Kwong-lin sailed from Shanghai for Tsingtao end of last week and from there embarked for Weihaiwei in a man-of war. Five other members of the Weihaiwei party headed by Chu Shih-chuan, proceeded to direct to Weihaiwei by steamer.

According to a Tsingtao message, Admiral Shen Hung-lieh, Commander of the North-eastern Naval Squadron, has ordered two gunboats, the *Haisen* and *Chenhai*, stationed at Lushan Bay, to be dispatched to Weihaiwei to assist in the garrisoning of the territory after it is taken over by the Chinese authorities.

The formal ceremony of handing back Weihaiwaei to China took place in said northern port September 30. Sir Miles Lampson, the British Minister, was present. The formal surrender was made by Sir Reginald Johnston, the British Commissioner. Weng Chia-ching, Vice Minister of Foreign Affairs, took over on behalf of the Chinese government. The Chinese of the district paid a high tribute to the retiring British Commissioner.

The return of Weihaiwei to China was provided for at the Washington Conference, as an outcome of the return of Kiaochow by Japan. The surrender by the British was however delayed until this week for a number of reasons. The return of Kwangchowwan was also promised at the Washington Conference by the French, but so far the French have made no move whatever to carry out their promise.

In compliance with a petition from F. W. Maze. Inspector-General of Customs, the Ministry of Finance has approved the establishment of a branch office of the Chefoo Maritime Customs at Weihaiwei.

## Excursionists to See the Hangchow Bore

The Shanghai-Hangchow railway will run excursions for three days October 8, 9 and 10, so as to afford facilities for seeing the famous Hangchow Bore, the most remarkable phenomena of its kind in the world and unsurpassed for its scenic beauty and natural grandeur. The two must suitable places to view the Bore are: Tsien Tang (錢塘) and Haining (海冒), more particularly the latter place; other favorable positions are, Siao Pu Tu (小普陀), Nan Mung Tang (南門塘, and Tung Mung Tang (東門塘), the latter being the place where the railway enclosure is reserved for the exclusive use of excursion ticket holders. At Tung Mung Tang one can catch a full sight of this great expanse of blue with ripples, glistening at first; then a white flashy line of water will emerge in the distance, suddenly rising high and roaring thunderously past, dashing violently westward like an angry whirlpool.

No description of the Bore would be complete without mentioning its historical and spiritual significance. True to the established usage at Hangchow ever since the Nan Sung Dynasty, the 18th day of the 8th Moon, lunar calendar, is taken as the birthday of the "God of Tide," and on that day. to pay homage to the God, the local authorities offer sacrifices at the altar built closely beside the railway enclosure. It is thus generally known that the tidal current is especially high on the 18th day, but great injustice would be done if one were to ignore the fact that the tidal flood is often even higher a few days before or after the 18tth day, and this is why the special trains are run on three successive days.

The position and shape of the estuary, the rapid water current and the sand reef obstructing outside the estuary all contribute to the splendor and beauty of the Bore which rightfully enjoys the pride of being the best Bore of the world. Then, too, the presence of the two hills, "Kan San" (赭山) and "Cheh San" (緒山), standing one after another in the vicinity of Haining, give the Bore a picturesque sething.

It may be mentioned that the "subsequent bore, is sometimes even more beautiful and rises higher than the "original bore." An interesting feature of the trip is the boat ride from Hsiachiao, the destination station of the excursion train, to the East Gate of the City of Haining.

## French Allow British to Enter Their Territory to Arrest Revolutionaries

The Pan-Asiatic League has issued a strong declaration in regard to the recent arrests of Indian revolutionaries by the British Police in French territory.

The British police about a month ago raided a house in Chandernagore, a French possession 21 miles north of Calcutta, with the permission of the French authorities and after exchanging many shots, they arrested several Indian revolutionaries. The manifesto of the League says the incident gives rise to a most important question of an international character as Chandernagore is a French possession and hence foreign country. India, in the eyes of the League is now at war with Britain by virtue of the Indian National Congress resolution of complete national independence passed on 1st January, 1930.

The Indian Manifesto continues: "According to the general interpretation of International Laws, Chandernagore is a foreign territory in a strict sense of the term. How was it then that the British police were allowed by the French authorities to arrest the Indians in direct contravention of International Laws and Usages? It can mean only one thing, and it is that the French Government abdicated its sovereign rights when it permitted the British police to enter its territory and exercise police rights there. The act of the French authorities not only amounted to a gross breach of international law but also brought upon the heroic French people the stigma and dishonor of being subservient to the dictates and orders of the British even in a case when the latter openly flout international laws and usages. What would have been an honorable course for the French authorities to adopt was to turn down flatly the British proposal to send their police into the territory of another first class power and give refuge to the Indians after disarming them."

## Anti-Opium Week Observed Under Auspices of National Anti-Opium Association

Acting under a program arranged by the National Anti-Opium Association, the seventh Annual Anti-Opium Week was inaugurated October 1. An intensive educational program is being carried out, and it is particularly in the Shanghai area that merchants, schools, churches, and Kuomintang branches are cooperating to bring the evils of opium and other narcotics to the consciousness of the Chinese public. The year's program is being conducted on a much more elaborate scale than in previous years, a notable innovation being that the post offices throughout the country have been instructed to exhibit anti-opium pictures and slogans. Airplanes are being used to scatter leaflets, and public institutions of various kinds, including theaters and tramway companies, and also churches and schools are assisting in displaying posters, literature, photos, etc. pointing out the danger of narcotics. In the cinemas and theaters anti-opium films are being displayed. The radio has also been brought into requisition to broadcast anti-opium speeches. In the churches prayers are being offered to further the anti-opium cause. Streamers in support of the anti-opium movement are also being stretched across Nanking road in Shanghai. No reports are yet to hand as to how the movement was being supported in the outlying districts of China, but it may be inferred that in certain districts at least there has only been lukewarm cooperation in the observance of this anti-opium campaign.

## Translation into English of the Civil Code of China

S. Francis Liu, who is an A. B. of Oberlin and a B.L.L. of Yale, in addition to holding other degrees, has translated Book III (The Law of Things) of the Civil Code of China. The volume, which has been printed by the *Shanghai Press* and is for sale at the translator's office in the Yokohama Specie Bank building in Shanghai, contains the text both in English and Chinese, and comprises 51 pages. The Law of Things went into force May 5, this year. A preface by John C. H. Wu comments that the new Chinese code steers safely between extreme individualism and a Communistic regime. On the one hand, private ownership is fully recognized and duly protected; on the other hand, property is no longer of absolute nature, but is to be held within the limits of reason and social well-being. A most significant provision is found in Article 773, which reads: "In the absence of restrictions imposed by law and ordinances, the right of ownership in land extends both above and underneath it, provided the exercise thereof confers a benefit. The interference from a third party, which does not impair the exercise of the right of ownership, may not be resisted and restrained." This is but one of many instances where the good sense of the Chinese legislators follows the time-honored doctrine of the mean (as opposed to the extreme).

## Daring Hold-up and Abduction in Broad Daylight

Zau Tieh-tsoong, son of S. U. Zau, a prominent merchant who was formerly a member of the Shanghai Municipal Council and now director of the Shanghai office of the Ministry of Industry, Commerce and Labor, was carried off by a gang of armed kidnappers, during the noon hour, September 30.

The young Mr. Zau, who is 25 years of age, had recently returned from the United States. He was driving from his office in the Shanghai premises of the Ministry of Foreign Affairs in his own car. He was held up at the point of a pistol as he was turning from Avenue Joffre into the Rue Brenier de Montmorand, where he lives.

## Through Air Service to Szechuen Promised in Near Future

Further attempts were made during this and last week to get the Shanghai-Chengtu air mail and passenger service into operation. The first trial flight last week proved abortive owing to a misunderstanding with or on the part of the Szechuen military authorities. The proposed route calls for stops at Nanking, Hankow, Ichang, Wanhsien, and Chungking enroute to Chengtu.

A recent telegram from Nanking in the *Shun Pao* stated that as a result of recent arrangements between the representatives of the Ministry of Communications and the Chungking authorities, the service between Chungking and Hankow would he opened before October 10.

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The PORT OF SEATTLE

## The Importance of the British Economic Mission to the Far East

In an address at the autumn meeting of the Association of British Chambers of Commerce held in Birmingham September 26, Sir Edward Crowe, Comptroller-General of the Department of Overseas Trade and formerly Commercial Counsellor at Tokyo, described the Economic Mission to the Far East as, perhaps, the most important that had ever left Great Britain. He emphasized that China offered tremendous possibilities and said that he had every confidence that the Mission would return with very valuable information for the commercial community.

The Far Eastern Section of the London Chamber of Commerce is circularising its members in regard to the Far East, saying they are anxious to hear from those who wish to communicate with them in regard to the objects which the Mission have in view and the conditions in China and Japan.

## Foreign Faculty Not Required to Take Oath

One of the questions which the Nanking authorities recently decided was whether foreign members of the faculty of a Government educational institution should or should not be required to take the oath of office and to study the party ideology in accordance with the regulations issued by the Ministry of Education.

The Ministry of Education has decided that it shall be optional with foreign members of the faculty to take the oath of office and, as regards the study of party principles, the Ministry has ruled that while foreign teachers shall not be compelled to join such study, they should nevertheless be supplied by the school authorities with translations of the works of the late party leader so that they may grasp the main aims and ideals of the party.

## Alleged Protest from Japan Against Swedish Match Monopoly

*Kuo Wen* publishes a report that Mr. Shegemitsu, Japanese Charge d'Affairs, is preparing to file to a protest with the Ministry of Foreign Affairs against the alleged consent of the Chinese Government to grant the Swedish match merchants the privileges of monopoly on the ground that this is against the agreements made at the Washington Conference. Should the Swedish merchants succeed in securing such a monopoly, the Japanese match business in China will be greatly affected, says the Japanese official.

## Committee of Chinese Auditors Inspects Waterworks Books

A commttee consisting of Yu Chi-hsi, Pan Hsu-lung, and Ho Teh-kwei, three expert auditors representing the Chinese Ratepayers' Asocdation, made an inspection of the books of the Shanghai Waterworks Co. during the week with a view to determining the facts in connection with the question of the increased rates for water, which the Water Co. announced would be enforced October 1, and against which the Chinese community has vigorously protested.

## Cigarette Taxes Are Placed on New Basis

According to *Kuo Wen*, the so-called "Three Grades" system of cigarette tax is being enforced as from October 1. Under this new tax system the tariff will be $220 per 30,000 cigarettes of the first class grade and $36 and $32 for the second and third grades, respectively. This "Three Grade" system is taking the place of the old "Seven Grades" system, under which cigarettes in the China market were divided into seven classes for taxation purposes.

## Siamese Prince Due in Shanghai Next Week

Prince Purachatrea of Siam and a small retinue are due in Shanghai on the *President McKinley* next week. The Prince and his party made stops at Saigon and Hongkong and will proceed from here to Japan. The Prince holds the position of Minister of Commerce and Communications and his Mission is principally interested in economic matters.

# From the Chinese Press

*News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent) Kou Min (Nanking official) and from translation of articles and dispatches appearing in the local Chinese press.*

*Thursday, Sept. 25.*—Foreign Ministry telegraphs to Geneva asking for submission to League of matter of cancellation of unilateral treaties.—Peiping-Shanhaikwan motor road being extended.—Chinese steamers commandeered for war purposes being returned to owners.—Kuominchun rebels at Sincheng surrender.

*Friday, Sept. 26.*—Airplanes and steamers along Yangstze to be searched for opium.—State Burial to be given Tan Yen-kai.—T. V. Soong succeeds Tan Yen-kai as president of Executive Yuan.—Nanking Publicity Dept. states Government determined to wipe out all rebel elements in the north.—Chengchow area scene of much fighting.—Gen. Sun Tung-hsuan enters Tehcow.—Chang Hsueh-liang announces intention to proceed to Peiping.

*Saturday, Sept. 27.*—Kuominchun units withdraw from Hsuchow area to Shanchow near Honan-Shansi border.—Foreign members of faculty in Chinese schools need not take oath.—Regulations governing carrying of firearms by foreigners issued.—Ministry of Commerce asks a loan of $20,000,000 for erection of public factories.—Main strength of Communist bands in Hunan broken up.—Yellow River Bridge repairs concluded.

*Sunday, Sept. 28.*—Ministry of Commerce urges increase of tariff on cotton goods so as to protect Chinese industries.—Important steps are taken to reconstruct the China Merchants S. N. Co.

*Monday, Sept. 29.*—Remnants of Kwangsi rebels make overtures for peace.—Main Kuominchun army held at bay along southern bank of Yellow river. Vandervelde, Belgian Socialist, arrives in Shanghai.

*Tuesday, Sept. 30.*—Narcotics seized by Customs publicly burned at Pootung, opposite Shanghai.—Executive Yuan rejects Shanghai Chinese Municipality's plan for opening bureau to inspect food supplies.—Wu Chih-hui makes important statement on problem of Constitutional government.—Chang Hsueh-liang's proposed trip to Peiping is delayed.

*Wednesday, October 1.*—Weihaiwei is formally transferred from Britian to China with appropriate ceremony.—Whampoa military academy not to be reopened.—Chiang Kai-shek reports on retirement of Feng Yu-hsiang.—C. T. Wang denies that National government is suspicious of military movements in north China,

## Japanese on Look-Out for Propaganda in Soviet Films

A Tokyo telegram states that the Japanese authorities are going to exercise the strictest possible censorship over the Soviet films, the majority of which are supplied by the Soviet Communists and intended for the propagation of the "Red" principles in Japan. A recent picture passed by the censors was entitled "The Tempest in Asia."

## "Municipal Gazette" to Appear in Chinese

At a recent meeting of the Shanghai Municipal Council it was decided that the Chinese edition of the *Municipal Gazette* will be published on the Wednesday following the English edition.

Chinese members of the Council stated that they did not consider that any objection would be raised by the the Chinese community to the Chinese edition being published a few days later than the English edition.

## Another Protest to Be Made Against French Radio Station

The *Sin Wan Pao*, leading Chinese newspaper in Shanghai in its issue of September 26, prints an article to the effect that the continued policy of the French radio station at Koukaza of accepting and delivering commercial messages constitutes an undoubted violation of the provisions of the International Wireless Conference held at Washington in 1928. The Ministry of Communications has so far protested in vain against this intrusion on China's sovereignty and now the Radio Administration of the Ministry of Communications is again stated to be preparing a petition asking the Ministry to lodge a stronger protest and at the same time notify the Washington Conference of the situation.


## Nanking-Shanghai & Shanghai-Hangchow Ningpo Railways
## Hangchow Bore Excursion

**Wednesday, 8th, Thursday, 9th, and Friday, 10th October, 1930.**

**DO NOT LEAVE THE FAR EAST WITHOUT SEEING THIS PHENOMENON OF NATURE, IF YOU HAVE ALREADY SEEN IT, GO AGAIN.**

Railway Enclosure at Haining on the bank of Tsien Tang River.

Tickets are on sale from 1st October 1930 at Shanghai North Station. Ticket holders may board or alight from trains at Jessfield or Siccawei Stations.

Fares $8.50 for adult and $4.25 for child under 12 years of age (under four, free), including train, boat fare and enclosure admission charges (Transit Dues also included).

Meal tickets at $3.50 per set including breakfast, tea and dinner on train and tiffin in Railway Enclosure. Passengers are advised to book meal tickets in advance so as to enable the Railway to prepare sufficient food.

EXCURSION TICKETS AVAILABLE FOR THE DATE SPECIFIED ON TICKET ONLY—NO REFUND ON UNUSED TICKETS.

**Special Train and Boat Services.**
**Outward Train Timings:**

| | | Oct. 8th | Oct. 9th | Oct. 10th |
|---|---|---|---|---|
| Shanghai North | dep. | 5.00 a.m. | 5.30 a.m. | 6.00 a.m. |
| Jessfield | „ | 5.16 „ | 5.46 „ | 6.15 „ |
| Siccawei | „ | 5.24 „ | 5.54 „ | 6.24 „ |
| Hsiachiao | Arr. | 8.15 „ | 8.45 „ | 9.15 „ |

Native boats—2 hours each way. Only 5 minutes walk from station to boats and from boats to Railway Enclosure.

**Return Train Timings:**

| | | Oct. 8th | Oct. 9th | Oct. 10th |
|---|---|---|---|---|
| Hsiachiao | dep | 4.10 p.m. | 4.40 p.m. | 5.15 p.m, |
| Siccawei | arr. | 7.07 „ | 7.37 „ | 8.17 „ |
| Jessfield | „ | 7.15 „ | 7.45 „ | 8.25 „ |
| Shanghai North | „ | 7.31 „ | 8.01 „ | 8.41 „ |

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## CUSTOMS NOTIFICATION

**No. 1195**

THE Custom House will be closed, and the shipment and delivery of cargo suspended, on Friday the 10th October, the day fixed by the Government as a National Festival.

W. R. MYERS,
*Commissioner of Customs.*

CUSTOM HOUSE,
Shanghai, 2nd October, 1930.

## National City Co. Gold Bond Quotations Received From Head Office

October 2, 1930.

| SECURITY | RATE & DATE DUE | Price | Approx Yield% |
|---|---|---|---|
| The National City Bank of New York .. .. | Stock | 134 | — |
| Argentine Government | 6 % May 1, 1960 | 94½ | 6.42 |
| U. S. of Brazil .. .. | 6½% Oct. 15, 1957 | 72¾ | 9.27 |
| Chicago Rapid Transit Co. .. .. .. .. .. | 6½% July 1, 1944 | 87 | 8.07 |
| Republic of Costa Rica (Pac. Rwy.) .. .. | 7½ Sept. 1, 1949 | 95 | 8.02 |
| German Central Bank for Agriculture.. .. | 6 % Oct. 15, 1960 | 74 | 8.38 |
| Kingdom of Italy.. .. | 7 % Dec. 1, 1951 | 92¼ | 7.70 |
| Japanese Government | 6½% Feb. 1, 1954 | 105¼ | 6.08 |
| Lautaro Nitrate Co., Ltd., Conv.. .. .. | 6 % July 1, 1954 | 75½ | 8.39 |
| National Hotel of Cuba, Income Debs. .. .. | 6 % Sept. 1, 1959 | 94½ | 6.42 |
| Norwegian Hydro-Elec. Nitrogen Corp.. .. | 5½% Nov. 1, 1957 | 94½ | 5.91 |
| Republic of Peru .. .. | 6 % Dec. 1, 1960 | 61 | 10.18 |
| State of Tennessee Central Rwy. .. .. .. | 6 % April 1, 1947 | 96¼ | 6.37 |
| Anaconda Copper Mining Co. .. .. .. .. | Common Stock | 39½ | — |
| Beaux-Arts Apartments Inc. $6 1st.Pfd.Stock& | Common Stock | 90 per unit | |
| Belgian National way. Pcptg. Pfd. Stock .. | 6 % (Amn.Shares) | 77¾ | 7.72 |
| Cannon Mills Co. .. .. | Common Stock | 20½ | — |
| General Italian Edison Electric Corp. .. .. | Common (Amn.Shares) | 34 | — |
| General Mills, Inc. .. | Common Stock | 45½ | — |
| General Motor Corp. .. | Common Stock | 46¼ | — |
| Pennsylvania Railroad Co. .. .. .. .. .. | Common Stock | 70½ | — |
| Standard Oil Co. of New York .. .. .. | Common Stock | 28½ | — |
| United Aircraft & Transport Corp. .. | Common Stock | 42¼ | — |
| United States Steel Corp. .. .. .. .. | Common Stock | 159¾ | — |
| Pennsylvania - Dixde Cement .. .. .. .. | $7 Cum. Pfd. Stock | 37⅛ | — |
| Cuban Dominican Sugar | 7½% Nov. 1, 1944 | 24 | — |
| State of Minas Geraes Series "A" .. .. .. | 6½% Sept. 1, 1959 | 70¼ | 9.48 |
| Rhine Westphalia Electric Power Corp. .. | 6 % April 1, 1955 | 82 | 7.64 |
| Republic of Chile .. .. | 6 % July 1, 1963 | 85 | 7.20 |
| American I.G.Chemical Corp. Conv. Debs. .. | 5½% May 1, 1949 | 100½ | 5.46 |
| Ilseder Steel Corp. .. | 6 % Aug. 1, 1948 | 82¼ | 7.86 |
| Saxon Public Works .. | 6½% May 1, 1951 | 85 | 8.00 |
| Republic of Finland .. | 5½% Feb. 1, 1958 | 84 | 6.79 |
| German General Electric (A. E. G.).. .. | 6 % May 1, 1948 | 91 | 6.88 |
| Pennsyivania Dock & Warehouse C. .. .. | 6 % Aug. 1, 1949 | 95 | 6.46 |

### QUOTATIONS RECEIVED FROM LONDON OFFICE

| | | | |
|---|---|---|---|
| Republic of China Gold Loan .. .. .. .. | 5 % 1925 | 68 | — |
| Chinese Govt. Re-org. (£) Loan Stamped .. | 5 % 1913-60 | 64½ | — |
| Chinese Govt. Re-org. (£) Loan Unstamped | 5 % 1913-60 | 62½ | — |
| Chinese Govt. (Crisp Loan) .. .. .. .. | 5 % 1912 | 44½ | — |
| Shanghai Nanking Railway .. .. .. .. | 5 % 1904/08 | 58 | — |
| Shanghai Hangchow Ningpo Railway .. | 5 % 1908/38 | 74½ | — |
| Hukuang Railway .. | 5 % 1911/1951 | 32 | — |
| Tientsin Pukow Railway | 5 % 1908/06 | 23 | — |

NOTE: The above quotations are received by cable, and whilst believed to be correct, are not guaranteed.

## Exchange Circular for week ending Wednesday, 1st October, 1930.

A heavy decline has taken place since our last, and it can be said that Local conditions have ruled the changes of our market, for no movements from outside have been a feature. India has hardly been mentioned; but America at one time inclined to sell. Stocks of silver in Shanghai have decreased. Exports from China are practically nil, while a considerable amount of Import requirements have been fixed this week.

Speculators oversold position remains about the same, at say £3,000,000 in various currencies. Hostilities in the North have been checked, but the Political issues therefrom are too obscure to enable any opinion to be formed at present.

Silver:—opened on the 25th ult. at 16⅞d. spot and forward, and G. $36½, and closes to-day at 16⅜d and G. $35⅛ respectively. China is reported as having sold on most days.

Exchange:—The official rate for T/T on London on the 25th ult, was 1/7⅝d., lowered on the 26th to 1/7½d., on the 29th to 1/7⅜d., on the 30th ult. to 1/7½d. This morning no change. The market opened on the 25th ult. with Banks selling T/T on London and New York at 1/7⅝d. and G. $40: 4. m/s Credits at 1/8 1/16d. and G. $41: Yen cross rate 49½: Yen 123.: Gold Bar 542½ and remained quietly steady at those levels. On the 26th ult. a decline of 1/16d. took place in T/T on London, and a proportionate change in other currencies. The Gold Bar rose and closed that day at 553.

On the 27th ult nothing better was obtainable, but a fair amount of Import was settled. Rates for export bills became 1/16d. and G. $40⅛.

On the 29th ult. weakness developed, and T/T on London and New York became 17/16d. and G. $39½: 4 m/s Credits 1/7 15/16d. and G. $40⅛: Gold Bar reached 560.

In the almost total absence of business, we quote at noon to-day for merchants:—T/T on London 1/7 15/16d., T/T on New York 38 1/16, 4m/s Credits 1/7 15/16d. and G.$39⅝, Yen 128.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver ... ... ... Tls. 110,707,000 a decrease of Tls. 1,605,000
Chinese and Mexican Dollars $ 149,460,000 a decrease of $ 880,000
Estimated value Tls. 218,318,000 as against Tls. 188,908,000 held at this time last year.

| | Average rates for Sept. | Thursday Sept. 25 | Friday Sept. 26 | Saturday Sept. 27 | Monday Sept. 29 | Tuesday Sept. 30 | Wed Oct. 1 |
|---|---|---|---|---|---|---|---|
| Bank's selling rates | | *opening* *closing* | *opening* *closing* | *opening* *closing* | *opening* *closing* | *opening* *closing* | *opening* *closing* |
| T/T on London | 1/7.365 | 1/7 5/8 | 1/7 5/8 1/7 15/16 | 1/7 15/16 | 1/7 15/16 1/7 31/32 | 1/7 31/32 1/6 7/8 | 1/6 7/8 |
| D/Dfts ,, | — | 1/7 5/8 | 1/7 5/8 1/7 15/16 | 1/7 15/16 | 1/7 15/16 1/7 31/32 | 1/7 31/32 1/6 7/8 | 1/6 7/8 |
| 4 m/s ,, | — | 1/7 11/16 | 1/7 11/16 1/7 5/8 | 1/7 13/16 | 1/7 13/16 1/7 15/16 | 1/7 15/16 1/6 11/16 | 1/6 11/16 |
| T/T India | 108,731 | 110¼ | 110¼ 109⅞ | 109½ | 109½ | 107¾ | |
| T/T France | 998,192 | 1012 | 1012 1005 | 1005 | 1005 999 | 987 974 | 974 |
| T/T On N.Y. Demand | 39,240 | 39¾ 39¾ | 39¾ 39¾ | 39½ | 39½ 39¼ | 38¾ 38¼ | 38⅛ |
| T/T Hamburg R. M. | | 167 | 167 166 | 166 | 166 164¾ | 162½ 160⅜ | 160½ |
| T/T H'kong | 82.163 | 81¾ nom. | 81¾ | 81¾ nom. | 81¾ nom. | 82 nom. | 82 nom. |
| T/T Japan | 125 942 | 124¼ | 124½ 125½ | 125⅝ | 125⅛ 126⅛ | 127½ 129⅛ | 129½ |
| T/T Batavia | 97.403 | 98½ | 98½ 98 | 98 | 98 97¼ | 96 94¾ | 94¼ |
| T/T Straits | 143.836 | 142½ | 142½ 143⅝ | 143⅝ | 143½ 144 | 146 148 | 148 |
| Bk's buying rates | | | 141½ | | 144 | | |
| 4 m/s B/L. Cred. D/A | 1/8.307 | 1/8 5/16 | 1/8 5/16 1/8 7/16 | 1/8 7/16 | 1/8 5/16 1/8 7/16 | 1/8 5/16 1/7 7/8 | 1/7 7/8 |
| 4 m/s ,, D/P | — | 1/8 5/16 | 1/8 5/16 | 1/8 5/16 | 1/8 5/16 | 1/8 5/16 | 1/8 |
| 6 m/s ,, B/L Cred D/A | 1/3 562 | 1/8 7/16 | 1/8 5/16 1/8 7/16 | 1/8 3/4 | 1/8 5/16 1/8 7/16 | 1/8 5/16 1/8 7/16 | 1/8 5/16 |
| 4 m/s B/F Cred D/A or D/P | 1,060.192 | 1080 | 1/8 3/4 10801070 | 1070 | 1/8 5/8 10701065 | 1/8 1/8 10501035 | 1035 |
| 4 m/s N.Y.Lc. | 41.125 | 41½ | 41 13/32 41 1/4 | 41 1/4 | 41 1/4 41 | 40 5/16 40 | 40 |
| 4 m/s ,, Doc. | — | 42 | 42 41 3/8 | 41 3/4 | 41 1/4 41 1/2 41 | 40 1/2 | 40 1/2 |

| †Based on Daily Official quotation, higher rate taken on rising Market, lower when falling. | Sept. 25 | Sept. 26 | Sept. 27 | Sept. 29 | Sept. 30 | Oct. 1 |
|---|---|---|---|---|---|---|
| Bullion. | | | | | | |
| *London Price of Bar Silver per oz. (English Standard 925 touch) Pence | | | | | | |
| **New York Price of Bar Silver per oz. (Pure) | 16 7/8 | 16 7/8 | 16 3/4 | 16 3/4 | 16 5/8 | 16 3/8 |
| Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch) ..... | G.$.36 3/4 | G.$.36 5/8 | G.$.36 1/2 | G.$.36 3/8 | G.$.35 7/8 | G.$.35 1/2 |
| Shanghai Silver Bars (weight Tls. 100 (Canton) 999 touch) ..... | Tls. 548.00 | Tls. 535.00 | Tls. 552.00 | Tls. 560.00 | Tls. 572.00 | closed |
| Shanghai Mexican Dollars per $100 ..... | 112.50 | 112.50 | 112.50 | 112.50 | 112.50 | 112.00 |
| Native Bank Rate of Interest (Call money) | 73.45 | 73.325 | 73.35 | 73.4375 | 73.2125 | closed |
| *Closing Price in London for Previous day | 2% | 1% | 1% | 2% | 1% | closed |
| **Closing Price in New York for Previous day ... | | | | | | |

| | | | |
|---|---|---|---|
| Bank of England rate of discount | 3 % | London on Paris | T/T 123.81 |
| Bank of France rate of discount | 2½ % | New York on London | T/T 485 1/16 |
| London open Market of Dis. 3 m/s | 1 1/4 % | Bombay on London | T/T 1/5 3/4 |
| ,, 4 ,, | 2 1/16 % | Hongkong on London | T/T 1/3 11/16 |
| ,, 6 ,, | 2 1/16 % | Kobe on London | T/T 2/0 15/32 |

# What the Ships Carry between America and China

## Return of the Shanghai Customs

*Pls.—1⅓ Picul or 133 1/3 pounds; Bls.—Bales; Pcs. Pieces; Mille—thousands; Hk. Tls.—Haikwan Tls.*

### IRISBANK, July 31.
(Agents: Lacey & Cannan, Ltd.)
From U. S. of America.

| | | |
|---|---|---|
| Tinned Plates, Plain | Pls. | 420 |
| Grease, Lubricating, Mineral | ,, | 39 |
| Indigo Paste, Artificial: | | |
| 20 per cent. strength | ,, | 387 |
| Soda, Caustic | ,, | 1,260 |
| Tobacco, Leaf | ,, | 1,322 |
| Twine, Cotton | ,, | 38 |
| Turpentine | Galls | 92 |
| Oil, Lubricating, Mineral | ,, | 15,946 |
| Cigarettes | Mille | 37,500 |

### SHINYO MARU, August 4.
(Agents: Nippon Yusen Kaisha.)
From U. S. of America.

| | | |
|---|---|---|
| Cigarettes | Mille | 940 |
| Rubber Tires: | | |
| For Motor-cars | Pcs. | 120 |

### SCOTTSBURGH, August 4.
(Agents: Lloyd Everett, Incorporated)
From U. S. of America.

| | | |
|---|---|---|
| Cotton, Raw | Bls. 1,550 Pls. | 5,319 |
| Iron and Steel, Ungalvanized: | | |
| Hoop Ends | ,, | 653 |
| Wire Rods | ,, | 338 |
| Iron and Steel, Galvanized: | | |
| Wire Shorts | ,, | 1,646 |
| Carbon Black | ,, | 176 |
| Oil, Kerosene, in Case | Galls | 500,000 |
| Oil, Lubricating, Mineral | ,, | 5,104 |

### CITY OF DELHI, August 5.
(Agents: Lacey & Cannan Ltd.)
To U. S. of America.

| | | |
|---|---|---|
| Antimony, Crude | Pls. | 840 |
| Egg Whole Egg, Dried | ,, | 168 |

### PRESIDENT GARFIELD, Aug. 5.
(Agents: Robert Dollar Co.)
To U. S. of America.

| | | |
|---|---|---|
| Silk Piece Goods | Pls. | 1.58 |
| Antimony, Oxide | ,, | 420 |
| Antimony, Regulus | ,, | 420 |
| Bristles, Black | ,, | 100 |
| Intestines, Goat | ,, | 4 |
| Lacquerware | ,, | 2 |
| Skins, Goat | Pcs. | 19,000 |
| Shoes, Satin | Pairs | 458 |
| Curios | Hk Tls | 9,500 |

### SOMERVILLE, August 5.
(Agents: O. Thoresen & Co.)
From U. S. of America.

| | | |
|---|---|---|
| Flour, Wheat | Pls. | 1,176 |
| Timber: | | |
| Pine Piling | Sq.ft. | 793,036 |
| Softwood: | | |
| Ordinary, Sawn | ,, | 500,339 |

### CUBA MARU, August 5.
(Agents: Showa Shipping Co.)
From U. S. of America.

| | | |
|---|---|---|
| Iron and Steel, Ungalvanized: | | |
| Bar Ends | Pls. | 289 |
| Scraps | ,, | 416 |
| Asbestos Paper | ,, | 23 |
| Asphalt | ,, | 5,905 |
| Rubber, Old | ,, | 62 |
| Tobacco, Leaf | ,, | 3,662 |

### BRONXVILLE, August 5.
(Agents: O. Thoresen & Co.)
To U. S. of America.

| | | |
|---|---|---|
| Silk, Raw, Steam Filature: | | |
| White, S'hai | Bls. 70 Pls. | 68.54 |
| Silk, Raw, Filature: | | |
| Wild, Antung | Bls. 30 ,, | 31.84 |
| Silk, Raw, Reeled from Doupions: | | |
| Shanghai | Bls. 5 Pls. | 4.96 |
| Brassware | ,, | 8 |
| Chinaware, Fine | ,, | 9 |
| Egg Albumen, Dried | ,, | 252 |
| Oil, Wood | ,, | 302 |
| Seed, Sesamum | ,, | 15,000 |
| Soapstone | ,, | 9 |
| Wool, Sheep's | ,, | 452 |
| Bags, Straw | Pcs. | 127,800 |

### PRESIDENT GRANT, August 8.
(Agents: Robert Dollar Co.)
From U. S. of America.

| | | |
|---|---|---|
| Canned Fruits, Table | Pls. | 67 |
| Oil, Lubricating, Mineral | ,, | 295 |
| Macaroni | ,, | 15 |
| Paper, Cardboard | ,, | 3,806 |
| Paper Parchment | ,, | 11 |
| Machines, Calculating | Pcs. | 12 |
| Motor-cars | ,, | 1 |
| Rubber Tires, Pneumatic: | | |
| For Motor Cars & Trucks | ,, | 50 |
| Lemons | Mille | 106 |
| Oil, Lubricating, Mineral | Galls. | 2,629 |

## Latest New York Stock Exchange Quotations

Market: Weak — Business Done 4,496,780

October 1.

| 1929-1930 High | 1929-1930 Low | STOCK | Sept. 29 | Sept. 30 |
|---|---|---|---|---|
| 37⅜ | 21⅞ | Adams Express | 22⅝ | 22¼ |
| 156½ | 108¼ | American Can | 120 | 117 |
| 101⅝ | 56⅛ | American & Foreign Power | 54½ | 53⅛ |
| 100⅞ | 46 | American Rolling Mill | 44 | 44¼ |
| 79½ | 53 | American Smelting | 51¾ | 53 |
| 274¼ | 200⅛ | American Tel. & Tel. | 04½ | 202⅞ |
| 129⅞ | 118½ | American Tobacco "B" | 217 | 116½ |
| 124⅞ | 78⅛ | American Water Works | 192 | 91 |
| 81½ | 44¼ | Anaconda Copper | 36⅛ | 35¾ |
| 53⅜ | 30⅛ | Atlantic Refining | 26 | 25 |
| 122⅜ | 96¼ | Baltimore & Ohio | 92 | 91 |
| 110¼ | 75 | Bethlehem Steel | 80½ | 80⅜ |
| 50½ | 28⅝ | Borg Warner | 20¾ | 18 |
| 33⅜ | 12⅝ | Calumet & Helca | 10⅛ | 10⅛ |
| 226¾ | 165¾ | Canadian Pacific Railway | 168⅞ | 172 |
| 362¾ | 150 | J. I. Case | 131½ | 123 |
| 125⅛ | 90 | Chicago Rock Island | 89 | 88 |
| 43 | 24 | Chrysler | 20½ | 20 |
| 44¼ | 24⅛ | Cities Service, Common | 26⅞ | 26¾ |
| 87 | 55 | Columbia Gas & Electric | 53¼ | 51 |
| 37⅜ | 13¾ | Columbia Graphaphone | 14⅛ | 13⅝ |
| 20¼ | 12⅞ | Commonwealth Southern | 11⅞ | 11¾ |
| 6¼ | 3¼ | ,, ,, war. | 3¼ | 3 |
| 136⅞ | 96⅝ | Consolidated Gas. of N. Y. | 100 | 100 |
| 30½ | 18⅛ | Continental Oil | 14½ | 14⅛ |
| 14⅞ | 5⅞ | Curtiss Wright Common | 4¾ | 4½ |
| 145¼ | 95¾ | Du Pont de Nemours | 103⅞ | 103⅜ |
| 255¼ | 175¾ | Eastman Kodak | 196½ | 195¼ |
| 117⅜ | 70¼ | Electric Bond & Share | 70½ | 65⅛ |
| 63¾ | 35⅛ | Eire Railway | 38 | 38 |
| 34⅝ | 13¾ | Fokker Aeroplane | 12¾ | 11¾ |
| 57⅜ | 16⅛ | Fox Film "A" | 43⅝ | 42⅝ |
| 95⅜ | 60⅛ | General Electric | 61¾ | 61 |
| 61¼ | 46⅛ | General Food | 52¾ | 51⅛ |
| 54¼ | 37½ | General Motors | 38½ | 38⅛ |
| 106⅞ | 75⅛ | General Railway Signal | 67⅛ | 69⅛ |
| 47⅞ | 34½ | Gold Dust | 36⅜ | 36½ |
| 58 | 21 | Goodrich Rubber | 19⅞ | 19⅝ |
| 96⅞ | 54⅞ | Goodyear Tire & Rubber Co. | 50⅝ | 46¾ |
| 59⅞ | 18 | Granby | 17¼ | 15 |
| 109 | 70 | Hershey Chocolate | 88⅛ | 90 |
| 75⅜ | 55¾ | International Cement | 58¼ | 56⅞ |
| 14½ | 5 | International Combu. Eng. | Mutl. | 4⅛ |
| 115¾ | 72 | International Harvester | 68¼ | 66 |
| 44⅜ | 20 | International Nickel | 19¾ | 19¾ |
| 77⅜ | 40⅛ | International Tel. & Tel. | 31⅞ | 31 |
| 148⅜ | 70 | Johns Manville | 74⅛ | 72⅝ |
| 63¾ | 33⅛ | Kemecott Copper | 28⅛ | 27½ |
| 35⅜ | 23¾ | Kreuger & Toll | 25¾ | 25⅛ |
| 48⅛ | 21 | Kroger Grocery | 29½ | 26¾ |
| 114⅜ | 85 | Liggett & Myers, "B" | 93⅞ | 92⅛ |
| 95¾ | 42⅛ | Lowes: Inc | 69¼ | 67¼ |
| 44⅞ | 20¼ | Ludlum Steel | 18 | 18⅜ |
| 49⅞ | 29⅜ | Montgomery Ward | 29⅝ | 28⅛ |
| 32 | 13⅛ | Nevada Consolidated Cop. | 11 | 10¾ |
| 192¾ | 150¾ | New York Central | 150¼ | 150½ |
| 107⅛ | 71⅜ | Pacific Lighting | 72 | 71¾ |
| 23⅜ | 12½ | Packard Motor Car | 10½ | 10⅜ |
| 77¼ | 48⅝ | Paramount—Publix Corp | 53⅞ | 52 |
| 85⅝ | 67⅞ | Pennsylvania Railroad | 69 | 68¼ |
| 16½ | 10⅛ | Pennroad Corporation | 12¾ | 9¼ |
| 44¾ | 29⅛ | Philips Petroleum | 25¾ | 24¾ |
| 123¾ | 81½ | Public Service of N. Jersey | 87 | 86⅞ |
| 69⅜ | 32½ | Radio Corporation | 28 | 28⅛ |
| 50 | 19 | Radio-Keith Orpheum | 25⅞ | 23 |
| 58⅝ | 45¼ | Reynolds Tobacco "B" | 48¼ | 46⅛ |
| 100⅝ | 56 | Sears Roebuck | 58⅝ | 58⅝ |
| 25¼ | 14 | Shell Union | 11¾ | 11½ |
| 94⅛ | 21 | Simmons Company | 21 | 18½ |
| 72 | 52⅝ | Southern California Edison | 54 | 53½ |
| 129 | 84⅛ | Standard Gas & Electric | 88¼ | 87¼ |
| 84⅞ | 58 | Standard Oil of N. Jersey | 58 | 57¼ |
| 40⅜ | 30 | Standard Oil of New York | 27 | 27½ |
| 60½ | 50⅛ | Texas Corporation | 44⅛ | 44½ |
| 67⅜ | 48⅛ | Texas Gulf Sulphur | 53⅛ | 54⅜ |
| 89¼ | 55⅛ | Timken Roller Bearing | 58⅛ | 55⅝ |
| 47⅜ | 19 | Trans America | 20 | 19½ |
| 106⅜ | 60⅛ | Union Carbide & Carbon | 67 | 65¾ |
| 242¾ | 200 | Union Pacific Railway | 207 | 205⅛ |
| 99 | 43½ | United Aircraft & Transp't | 42¼ | 40¼ |
| 49⅜ | 31¼ | United Gas & Improvement | 32⅝ | 32¼ |
| 35 | 17⅞ | U.S. Rubber | 15½ | 14⅝ |
| 198¾ | 151⅝ | U.S. Steel | 156⅝ | 155½ |
| 143¼ | 49⅞ | Vanadium | 60⅜ | 57½ |
| 80¼ | 24⅝ | Warner Bros. Pictures | 21¼ | 20½ |
| 201 | 124¼ | Westinghouse E. & M. | 129 | 126⅝ |
| 72⅜ | 51⅝ | Woolworth | 60⅛ | 60⅛ |
| | | Call Money | 1½% | 2% |

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